

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

FORM 20-F

- REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934
OR
 ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2025
OR
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
OR
 SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
Commission file number 001-38699

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

(Exact name of Registrant as specified in its charter)

Not applicable
(Translation of Registrant's name into English)

Cayman Islands
(Jurisdiction of incorporation or organization)

71 Robinson Road #04-03, Singapore 068895 and 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong
(Address of principal executive offices)

Company Secretary, Tel +852 2598 3600, Fax +852 2537 3618
38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

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

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
American depository shares each representing four Class A ordinary shares	MSC	The New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None.
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None.
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

770,352,700 Class A ordinary shares and 72,511,760 Class B ordinary shares outstanding as of December 31, 2025

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No
Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

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, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, 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.

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes No

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP International Financial Reporting Standards as issued by the International Accounting Standards Board Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No
(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

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INTRODUCTION

In this annual report on Form 20-F, unless otherwise indicated:

- “2025 SCF Senior Notes” refers to the 6.00% senior notes due 2025 in an aggregate principal amount of US\$500,000,000 issued by Studio City Finance on July 15, 2020, and as to which no amount remains outstanding following the redemption of all remaining amounts outstanding in July 2025;
- “2025 SCF Senior Notes Tender Offer (2023)” refers to the conditional tender offer by Studio City Finance pursuant to which it purchased for cash an aggregate principal amount of US\$100.0 million of the outstanding 2025 SCF Senior Notes in November 2023;
- “2025 SCF Senior Notes Tender Offer (2024)” refers to the conditional tender offer by Studio City Finance pursuant to which it purchased for cash an aggregate principal amount of US\$100.0 million of the outstanding 2025 SCF Senior Notes in April 2024;
- “2027 SCC Senior Secured Notes” refers to the 7.00% senior secured notes due 2027 in an aggregate principal amount of US\$350,000,000 issued by Studio City Company on February 16, 2022;
- “2028 SCF Senior Notes” refers to the 6.50% senior notes due 2028 in an aggregate principal amount of US\$500,000,000 issued by Studio City Finance on July 15, 2020;
- “2029 SCF Senior Notes” refers to the 5.00% senior notes due 2029 in an aggregate principal amount of US\$1,100,000,000 issued by Studio City Finance, of which US\$750,000,000 in aggregate principal amount was issued on January 14, 2021 and US\$350,000,000 in aggregate principal amount was issued on May 20, 2021;
- “ADSs” refers to our American depositary shares, each of which represents four Class A ordinary shares;
- “Altira Macau” refers to an integrated resort located in Taipa, Macau;
- “board” and “board of directors” refer to the board of directors of our Company or a duly constituted committee thereof;
- “China” and “PRC” refer to the People’s Republic of China, including the Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”) and the Macau Special Administrative Region of the People’s Republic of China (“Macau” or “Macau SAR”), except when referencing specific laws and regulations adopted by the People’s Republic of China and other legal and tax matters applicable only to mainland China. The legal and operational risks associated with operating in mainland China may also apply to our operations in Hong Kong and Macau;
- “City of Dreams” refers to an integrated resort located in Cotai, Macau, which currently features gaming areas and luxury hotels, a collection of retail brands, a wet stage performance theater and other entertainment venues;
- “Concession Contract” refers to the concession contract executed between the Macau SAR and the Gaming Operator on December 16, 2022, as amended on February 10, 2026, that provides for the terms and conditions of the concession granted to the Gaming Operator, which expires on December 31, 2032;
- “DICJ” refers to the Direcção de Inspeção e Coordenação de Jogos (the Gaming Inspection and Coordination Bureau), a department of the government of Macau;
- “DSEC” refers to the Statistics and Census Service of Macau, a department of the government of Macau;
- “HIBOR” refers to the Hong Kong Interbank Offered Rate;
- “HK\$” and “H.K. dollar(s)” refer to the legal currency of Hong Kong;

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- “Management and Shared Services Arrangements” refer to, collectively, (i) the Master Services Agreement (the “Master Services Agreement”) entered into on December 21, 2015 by and between Studio City Entertainment, Studio City Hotels, Studio City Retail Services Limited, Studio City Developments, Studio City Ventures Limited, Studio City Services Limited and the Company (the “Studio City Entities,” each a “Studio City Entity”) and the Master Service Providers, and (ii) the individual work agreements (the “Work Agreements,” each a “Work Agreement”) which sets out the terms and conditions that apply to certain services to be provided thereunder and other arrangements for the provision of non-gaming services at Studio City by the Master Service Providers to the Studio City Entities and vice versa;
- “Master Service Providers” refer to certain of our affiliates with whom we entered into a master services agreement and a series of work agreements with respect to the non-gaming services at the properties in Macau, and that are also subsidiaries of Melco Resorts, including Melco Crown (COD) Developments Limited (now known as COD Resorts Limited), Altira Developments Limited (now known as Altira Resorts Limited), the Gaming Operator, MPEL Services Limited (now known as Melco Resorts Services Limited), Golden Future (Management Services) Limited, MPEL Properties (Macau) Limited, Melco Crown Security Services Limited (now known as Melco Resorts Security Services Limited), MCE Travel Limited (now known as Melco Resorts Travel Limited), MCE Transportation Limited and MCE Transportation Two Limited (now known as MCO Transportation Two Limited);
- “MCO Cotai” refers to MCO Cotai Investments Limited, a subsidiary of Melco Resorts and a shareholder of our Company;
- “Melco International” refers to Melco International Development Limited, a Hong Kong-listed company, the single largest shareholder of Melco Resorts;
- “Melco Resorts” refers to Melco Resorts & Entertainment Limited, a Cayman Islands exempted company with limited liability, the American depositary shares of which are listed on the Nasdaq Global Select Market, and which, through its subsidiary MCO Cotai, is a principal shareholder of our Company;
- “Melco Resorts Macau” or the “Gaming Operator” refers to Melco Resorts (Macau) Limited, a company incorporated under the laws of Macau that is a subsidiary of Melco Resorts, the holder of a concession under the Concession Contract and the operator of Studio City Casino. The equity interest of the Gaming Operator is 85% owned by Melco Resorts and 15% owned by Mr. Lawrence Ho, the managing-director of the Gaming Operator;
- “MOP” and “Pataca(s)” refer to the legal currency of Macau;
- “MSC Cotai” refers to our subsidiary, MSC Cotai Limited, which is a company incorporated in the British Virgin Islands with limited liability;
- “New Cotai” refers to New Cotai, LLC, a Delaware limited liability company;
- “RMB” and “Renminbi” refer to the legal currency of China;
- “SCC 2013 Project Facility” refers to the senior secured project facility, dated January 28, 2013 and as amended from time to time, entered into between, among others, Studio City Company, as borrower, and certain subsidiaries as guarantors, comprising a term loan facility of HK\$10,080,460,000 (equivalent to US\$1.3 billion) and a revolving credit facility of HK\$775,420,000 (equivalent to US\$100 million), and was amended, restated and extended by the SCC 2016 Credit Facilities;
- “SCC 2016 Credit Facilities” refers to the facilities agreement dated November 23, 2016 with, among others, Bank of China Limited, Macau Branch, to amend, restate and extend the SCC 2013 Project Facility to provide for senior secured credit facilities in an aggregate amount of HK\$234.0 million (equivalent to US\$30.0 million), which consist of a HK\$233.0 million (equivalent to US\$29.9 million)

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revolving credit facility and a HK\$1.0 million (equivalent to US\$0.1 million) term loan facility, and which would have matured on November 30, 2021, and was amended, restated and extended by the SCC 2021 Credit Facilities;

- “SCC 2021 Credit Facilities” refers to the facilities agreement dated March 15, 2021 with, among others, Bank of China Limited, Macau Branch, to amend, restate and extend the SCC 2016 Credit Facilities providing for senior secured credit facilities in an aggregate amount of HK\$234.0 million (equivalent to US\$30.0 million), which consist of a HK\$233.0 million (equivalent to US\$29.9 million) revolving credit facility and a HK\$1.0 million (equivalent to US\$0.1 million) term loan facility, and which would have matured on January 15, 2028, and was further amended, restated and extended on November 29, 2024 including with a maturity date extended to August 29, 2029;
- “SCC 2024 Revolving Facilities” refers to the senior secured credit facilities agreement, dated November 29, 2024, entered into between, among others, Studio City Investments, as parent, Studio City Company, as borrower, and certain subsidiaries as guarantors, pursuant to which lenders have made available to Studio City Company HK\$1.945 billion (equivalent to US\$250.3 million) in revolving credit facilities for a term of five years with an option to increase the commitments in an amount not exceeding US\$100.0 million, subject to the satisfaction of certain conditions precedent;
- “SGD” and “Singapore dollar(s)” refer to the legal currency of Singapore;
- “Studio City” refers to a cinematically-themed integrated resort in Cotai, Macau;
- “Studio City Casino” refers to the gaming areas being operated within Studio City;
- “Studio City Casino Agreement” (previously referred to as the Services and Right to Use Arrangements) refers to the agreement entered into among Melco Resorts Macau and Studio City Entertainment, dated May 11, 2007 and amended on June 15, 2012 and June 23, 2022 and any other agreements or arrangements entered into from time to time, which may amend, supplement or relate to the aforementioned agreements or arrangements;
- “Studio City Company” refers to our subsidiary, Studio City Company Limited, which is a company incorporated in the British Virgin Islands with limited liability;
- “Studio City Developments” refers to our subsidiary, Studio City Developments Limited, a Macau company;
- “Studio City Entertainment” refers to our subsidiary, Studio City Entertainment Limited, a Macau company;
- “Studio City Finance” refers to our subsidiary, Studio City Finance Limited, which is a company incorporated in the British Virgin Islands with limited liability;
- “Studio City Hotel” refers to the hotel owned by Studio City Developments which includes the four hotel towers at Studio City;
- “Studio City Hotels” refers to our subsidiary, Studio City Hotels Limited, a Macau company;
- “Studio City Investments” refers to our subsidiary, Studio City Investments Limited, which is a company incorporated in the British Virgin Islands with limited liability;
- “US\$” and “U.S. dollar(s)” refer to the legal currency of the United States;
- “U.S. GAAP” refers to the U.S. generally accepted accounting principles; and
- “we,” “us,” “our,” “our Company” and “the Company” refer to Studio City International Holdings Limited and, as the context requires, its predecessor entities and its consolidated subsidiaries.

This annual report on Form 20-F includes our audited consolidated financial statements for the years ended December 31, 2025, 2024 and 2023 and as of December 31, 2025 and 2024.

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Certain monetary amounts, percentages, and other figures included in this annual report have been subject to rounding adjustments. Certain other amounts that appear in this annual report may not sum due to rounding. Figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

GLOSSARY

“average daily rate”	calculated by dividing total room revenues including complimentary rooms (less service charges, if any) by total rooms occupied, including complimentary rooms, i.e., average price of occupied rooms per day
“cage”	a secure room within a casino with a facility that allows patrons to carry out transactions required to participate in gaming activities, such as exchange of cash for chips and exchange of chips for cash or other chips
“chip”	round token that is used on casino gaming tables in lieu of cash
“concession”	a government grant for the operation of games of fortune and chance in casinos in Macau under an administrative contract pursuant to which a concessionaire, or the entity holding the concession, is authorized to operate games of fortune and chance in casinos in Macau
“dealer”	a casino employee who takes and pays out wagers or otherwise oversees a gaming table
“drop”	the amount of cash to purchase gaming chips and promotional vouchers that is deposited in a gaming table’s drop box, plus gaming chips purchased at the casino cage
“drop box”	a box or container that serves as a repository for cash, chip purchase vouchers, credit markers and forms used to record movements in the chip inventory on each table game
“electronic gaming table”	table with an electronic or computerized wagering and payment system that allow players to place bets from multiple-player gaming seats
“gaming machine”	slot machine and/or electronic gaming table
“gaming machine handle”	the total amount wagered in gaming machines
“gaming machine win rate”	gaming machine win (calculated before other incentives as administered by the Gaming Operator and allocating casino revenues related to goods and services provided to gaming patrons on a complimentary basis) expressed as a percentage of gaming machine handle
“gaming promoter”	a corporate entity who, for the purpose of promoting rolling chip and other gaming activities, arranges customer transportation and accommodation, and arranges food and beverage services and entertainment in exchange for commissions from a gaming operator
“integrated resort”	a resort which provides customers with a combination of hotel accommodations, gaming areas, retail and dining facilities, MICE space, entertainment venues and spas
“junket player”	a player sourced by gaming promoters
“marker”	evidence of indebtedness by a player to the gaming operator
“mass market patron”	a customer who plays in the mass market operations
“mass market operations”	consists of both table games and gaming machines played by mass market patrons primarily for cash stakes
“mass market table games drop”	the amount wagered in the mass market table games operations

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“mass market table games hold percentage”	mass market table games win (calculated before discounts, commissions, other incentives as administered by the Gaming Operator and allocating casino revenues related to goods and services provided to gaming patrons on a complimentary basis) as a percentage of mass market table games drop
“mass market table games operations”	the mass market operations consisting of mass market patrons who play table games
“MICE”	Meetings, Incentives, Conventions and Exhibitions, an acronym commonly used to refer to tourism involving large groups brought together for an event or specific purpose
“net rolling”	net turnover in a non-negotiable chip game
“non-negotiable chip”	promotional casino chip that is not to be exchanged for cash
“non-rolling chip”	chip that can be exchanged for cash, used by mass market patrons to make wagers
“occupancy rate”	the average percentage of available hotel rooms occupied, including complimentary rooms, during a period
“premium direct player”	a rolling chip patron who is a direct customer of the gaming operator and is attracted to the casino through marketing efforts of the gaming operator
“progressive jackpot”	a jackpot for a gaming machine or table game where the value of the jackpot increases as wagers are made; multiple gaming machines or table games may be linked together to establish one progressive jackpot
“revenue per available room” or “REVPAR”	calculated by dividing total room revenues including complimentary rooms (less service charges, if any) by total rooms available, thereby representing a combination of hotel average daily room rates and occupancy
“rolling chip” or “VIP rolling chip”	non-negotiable chip primarily used by rolling chip patrons to make wagers
“rolling chip patron”	a player who primarily plays on rolling chip or VIP rolling chip tables and typically plays for higher stakes than mass market patrons
“rolling chip operations”	consists of table games played in areas designated for rolling chip patrons who are either premium direct players or junket players
“rolling chip volume”	the amount of non-negotiable chips net buy in plus the amount of cash chips converted to non-negotiable chips
“rolling chip win rate”	rolling chip table games win (calculated before discounts, commissions, other incentives as administered by the Gaming Operator and allocating casino revenues related to goods and services provided to gaming patrons on a complimentary basis) as a percentage of rolling chip volume
“slot machine”	slot or electronic gaming machine operated by a single player
“subconcession”	an agreement for the operation of games of fortune and chance in casinos between the entity holding the concession, or the concessionaire, and a subconcessionaire, pursuant to which the subconcessionaire has been or may be authorized to operate games of fortune and chance in casinos in Macau
“table games win”	the amount of wagers won net of wagers lost on gaming tables that is retained and recorded as casino revenues. Table games win is calculated before

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discounts, commissions, other incentives as administered by the Gaming Operator and allocating casino revenues related to goods and services provided to gaming patrons on a complimentary basis

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This annual report on Form 20-F contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements relate to future events, including our future operating results and conditions, our prospects and our future financial performance and condition, all of which are largely based on our current expectations and projections. Known and unknown risks, uncertainties and other factors may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. See “Item 3. Key Information — D. Risk Factors” for a discussion of some risk factors that may affect our business and results of operations. Moreover, because we operate in a heavily regulated and evolving industry, may become highly leveraged and operate in Macau, a market with intense competition, new risk factors may emerge from time to time. It is not possible for our management to predict all risk factors, nor can we assess the impact of these factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those expressed or implied in any forward-looking statement.

In some cases, forward-looking statements can be identified by words or phrases such as “may,” “will,” “expect,” “anticipate,” “target,” “aim,” “estimate,” “intend,” “plan,” “believe,” “potential,” “continue,” “is/are likely to” or other similar expressions. We have based the forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- our goals and strategies;
- the expected growth of the gaming and leisure market in Macau and visitation in Macau;
- general domestic or global political and economic conditions, including in China, which may impact levels of travel, leisure and consumer spending;
- our ability to successfully operate Studio City;
- our compliance with conditions and covenants under the existing and future indebtedness;
- capital and credit market volatility;
- our ability to raise additional capital, if and when required;
- increased competition from other casino hotel and resort projects in Macau and elsewhere in Asia, including the concessionaires in Macau;
- government policies, laws and regulations relating to the leisure and gaming industry in Macau, including the implementation of the amended gaming law, and the legalization of gaming in other jurisdictions;
- the uncertainty of tourist behavior related to spending and vacationing at casino resorts in Macau;
- cybersecurity risks including misappropriation of customer information or other breaches of information security;
- fluctuations in occupancy rates and average daily room rates in Macau;
- the liberalization of travel restrictions on mainland China citizens and convertibility of the Renminbi;
- the tightened control of certain cross-border fund transfers from China;
- the completion of infrastructure projects in Macau;
- our ability to retain and gain new customers;
- our ability to offer new services and attractions;

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- our future business development, financial condition and results of operations;
- the expected growth, size of and trends in the market in Macau;
- expected changes in our revenues, costs or expenditures;
- our expectations regarding demand for our services and market acceptance of our brand and business;
- the reduced access to our target markets due to travel restrictions, and the potential long-term impact on customer retention;
- the impact on the travel and leisure industry from factors such as an outbreak of an infectious disease, such as the COVID-19 pandemic or the period of time required for tourism to return to pre-pandemic levels, extreme weather patterns or natural disasters, military conflicts and any future security alerts and/or terrorist attacks or other acts of violence;
- our ability to continue to develop new technologies and/or upgrade our existing technologies;
- our ability to protect our intellectual property rights;
- growth of and trends of competition in the gaming and leisure market in Macau;
- general economic and business conditions globally and in Macau;
- our ability to comply with the New York Stock Exchange's ("NYSE") continued listing standards and maintain the listing of our ADSs on the NYSE; and
- other factors described under "Item 3. Key Information — D. Risk Factors."

The forward-looking statements made in this annual report on Form 20-F relate only to events or information as of the date on which the statements are made in this annual report on Form 20-F. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this annual report on Form 20-F and the documents that we referenced in this annual report on Form 20-F and have filed as exhibits with the U.S. Securities and Exchange Commission, or the SEC, completely and with the understanding that our actual future results may be materially different from what we expect.

EXCHANGE RATE INFORMATION

Our reporting currency is the U.S. dollar and functional currencies are the U.S. dollar, H.K. dollar and Pataca. This annual report on Form 20-F contains translations of certain Pataca, H.K. dollar and Renminbi amounts into U.S. dollars for the convenience of the reader. Unless otherwise stated, all translations of H.K. dollar and Renminbi amounts into U.S. dollars in this annual report on Form 20-F were made at the rates of HK\$7.781193 to US\$1.00 and RMB6.997362 to US\$1.00, respectively.

The H.K. dollar is freely convertible into other currencies (including the U.S. dollar). Since May 2005, the Hong Kong Monetary Authority has maintained a trading band range of HK\$7.75 to HK\$7.85 per U.S. dollar. The Hong Kong government has stated its intention to maintain the U.S. dollar link at that rate range and, acting through the Hong Kong Monetary Authority, has a number of means by which it may act to maintain exchange rate stability. However, no assurance can be given that the Hong Kong government will maintain the link at HK\$7.75 to HK\$7.85 per U.S. dollar or at all.

The Pataca is pegged to the H.K. dollar at a rate of HK\$1.00 to MOP1.03. All translations from Patacas to U.S. dollars and Singapore dollars to U.S. dollars in this annual report on Form 20-F were made at the exchange rate of MOP8.014619 to US\$1.00 and SGD1.283837 to US\$1.00, respectively.

We make no representation that any Pataca, H.K. dollar, Renminbi, Singapore dollar or U.S. dollar amounts referred to in this annual report on Form 20-F could have been, or could be, converted into U.S. dollar, Pataca, H.K. dollar, Renminbi or Singapore dollar, as the case may be, at any particular rate or at all.

In this annual report, U.S. dollar equivalents of H.K. dollar amounts of indebtedness are based on the prevailing exchange rate on the relevant transaction date, except for the indebtedness balance translations as of the balance sheet date, which are based on the prevailing exchange rate on the applicable balance sheet date.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

Studio City International Holdings Limited is a company incorporated under the laws of the Cayman Islands. We are not a mainland China operating company but a Cayman Islands holding company with operations conducted by our subsidiaries in Macau, Hong Kong and Singapore. We do not have any operations or maintain any office or personnel in mainland China. All of our current operations, and administrative and corporate functions are conducted in Macau, Hong Kong and Singapore. We conduct our operations in Macau and we do not have any assets or operations in mainland China. Our principal executive offices are located in Singapore and Hong Kong. We have no variable interest entities in our corporate structure.

We face various legal and operational risks and uncertainties as a company operating in Macau. Since we derive all of our revenues from our Macau business and a significant number of our customers come from, and are expected to continue to come from, China, our results of operations and financial condition may be materially and adversely affected by significant regulatory developments in China. Actions by the PRC government can also significantly affect our business by, for example, placing limits on the ability of China residents to travel or remit currency or by restricting gaming-related marketing activities in China. See “— D. Risk Factors — Risks Relating to Conducting Business and Operating in Macau — Policies, campaigns and measures adopted by the PRC and/or Macau governments from time to time could materially and adversely affect our operations.”

The legal and operational risks associated with operating in mainland China may also apply to our operations in Hong Kong and Macau. The PRC government may also intervene or influence our operations in Macau, Hong Kong or elsewhere at any time, or may exert more control over offerings conducted overseas and/or foreign investment in issuers in China, which could result in a material change in our operations and/or the value of our ordinary shares. For example, in recent years, the PRC government has enhanced regulation in areas such as anti-monopoly, anti-unfair competition, cybersecurity and data privacy. See “— Risks Relating to Our Business — Failure to protect the integrity and security of company staff, supplier and customer information and comply with cybersecurity, data privacy, data protection or any other laws and regulations related to data may materially and adversely affect our business, financial condition and results of operations, and/or result in damage to reputation and/or subject us to fines, penalties, lawsuits, restrictions on our use or transfer of data and other risks” and “— Claims or regulatory actions against us under China’s competition laws may result in fines, constraints on our business and damage to our reputation.” These laws and regulations can be complex and stringent, and many are subject to change and uncertain interpretations, which could result in claims, changes to our data and other business practices, regulatory investigations, penalties, increased cost of operations, or declines in customer growth or engagement, or otherwise affect our business. As a result, the trading prices of our ADSs and ordinary shares could significantly decline or become worthless.

Additionally, the PRC government has in the past made statements indicating an intent to exert more oversight and control over offerings that are conducted overseas and/or foreign investment in China-based issuers and any such action could significantly limit or completely hinder our ability to offer or continue to offer securities to investors and cause the value of our securities to significantly decline or be worthless. There are risks and uncertainties which we cannot foresee for the time being, and rules and regulations in China can change quickly with little or no advance notice. See “— Risks Relating to Conducting Business and Operating in Macau — Changes in laws, regulations and policies in China and uncertainties in the legal systems in China may expose us to risks. In addition, rules and regulations in China can change quickly with little advance notice” and “— The PRC government may influence our operations or impact our offerings conducted overseas or foreign investments in us. Its oversight and discretion over our business could result in material changes in our operations and the value of our ordinary shares and ADSs.”

We also face risks associated with interpretations of or changes to gaming laws in Macau, including the interpretation of the amended gaming law in Macau, as well as the continued ability by the U.S. Public Company Accounting Oversight Board, or PCAOB, to inspect our auditors.

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On May 4, 2022, we were identified as a Commission-Identified Issuer under the Holding Foreign Companies Accountable Act (“HFCAA”) and the rules promulgated thereunder because our auditor at that time was Ernst & Young, located in Hong Kong, which was a PCAOB-Identified Firm as of May 4, 2022. On August 16, 2022, we changed our auditor from Ernst & Young, located in Hong Kong, to Ernst & Young LLP, located in Singapore, which was not a PCAOB-Identified Firm. In December 2022, the PCAOB announced that it secured complete access to inspect and investigate registered public accounting firms headquartered in mainland China and Hong Kong. On June 7, 2024, we changed our auditor to Deloitte & Touche LLP, located in Singapore, which is also not a PCAOB-Identified Firm. As a result, until such time as the PCAOB issues any new determination, we do not believe we are at risk of being a Commission-Identified Issuer nor at risk of having our securities subject to a trading prohibition under the HFCAA.

Permissions, Approvals, Licenses, Certificates and Permits Required from PRC Authorities for Our Operations and for the Offering of Our Securities to Foreign Investors

As of the date of this annual report, we have obtained the requisite permissions, approvals, licenses, certificates and permits from PRC government authorities that are material for our business operations in those jurisdictions, and none have been denied. See “Item 4. Information on the Company — B. Business Overview — Regulations.”

Given the uncertainties of interpretation and implementation of relevant laws and regulations and enforcement practice by PRC government authorities, we may be required to obtain additional licenses, permits, filings or approvals for our business operations in the future, and may not be able to maintain or renew our current licenses, permits, filings or approvals. In addition, rules and regulations in China can change quickly with little advance notice. Uncertainties due to evolving laws and regulations could impede our ability to obtain or maintain certificates, permits or licenses required to conduct business in China. In the absence of required certificates, permits or licenses, governmental authorities could impose material sanctions or penalties on us.

Furthermore, in connection with an issuance of securities to foreign investors, under current PRC laws, regulations and regulatory rules, as of the date of this annual report, we do not believe we would currently be required to obtain permissions from or complete any filing with the China Securities Regulatory Commission, or CSRC, or required to go through cybersecurity review by the Cyberspace Administration of China, or CAC. In addition, we have not been asked to obtain such permissions by any PRC authority or received any denial to do so. However, the PRC government has in the past made statements indicating an intent to exert more oversight and control over offerings that are conducted overseas and/or foreign investment by issuers like us and may do so in the future. There remains significant uncertainty as to the enactment, interpretation and implementation of regulatory requirements related to overseas securities offerings and other capital markets activities.

If (i) (a) we incorrectly conclude that certain regulatory permissions and approvals are not required or (b) applicable laws, regulations, or interpretations change in a way that requires us to complete such filings or obtain such approvals in the future, and (ii) we are required to obtain such permissions or approvals in the future, but fail to receive or maintain such permissions or approvals, we may face sanctions by the CSRC, the CAC or other PRC regulatory agencies. These regulatory agencies may impose fines and penalties on us, limit our operations, limit our ability to pay dividends outside of China, limit our ability to list on stock exchanges outside of China or offer our securities to foreign investors or take other actions that could have a material adverse effect on our business, financial condition, results of operations and prospects, as well as the trading price of our securities.

Cash Flows Through Our Organization

Cash from financings and operations is primarily retained by our operating subsidiaries for the purposes of funding our operating activities and capital expenditures. Cash within our group is primarily transferred between our subsidiaries through intercompany loan arrangements. Financing raised by Studio City

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International Holdings Limited has been transferred to our financing and operating subsidiaries through the use of equity capital contributions or intercompany loan arrangements. In 2025, excluding cash transferred for the purpose of the settlement of intragroup charges, no cash has been transferred to our holding company, Studio City International Holdings Limited, from its subsidiaries. See also “Item 4. Information on the Company — B. Business Overview — Taxation” and “Item 8. Financial Information — A. Consolidated Statements and Other Financial Information — Dividend Policy.” There are no regulatory or foreign exchange restrictions or limitations on our ability to transfer cash within our corporate group or to declare dividends to holders of our ADSs, except that our subsidiaries incorporated in Macau are required to set aside a specified amount of the entity’s profit after tax as a legal reserve which is not distributable to the shareholders of such subsidiaries. See “Item 4. Information on the Company — B. Business Overview — Regulations — Restrictions on Distribution of Profits Regulations” and “Item 10. Additional Information — D. Exchange Controls.”

We currently intend to retain most, if not all, of our available funds and any future earnings to repay or refinance our debt, fund our ongoing operations and fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. See “Item 8. Financial Information — A. Consolidated Statements and Other Financial Information — Dividend Policy” and note 15 to the consolidated financial statements included elsewhere in this annual report.

You should carefully consider all of the information in this annual report before making an investment in the ADSs.

A. [RESERVED]

B. CAPITALIZATION AND INDEBTEDNESS

Not applicable.

C. REASONS FOR THE OFFER AND USE OF PROCEEDS

Not applicable.

D. RISK FACTORS

Studio City International Holdings Limited is a company incorporated under the laws of the Cayman Islands. We are not a mainland China operating company but a Cayman Islands holding company with operations conducted by our subsidiaries in Macau, Hong Kong and Singapore. We do not have any operations or maintain any office or personnel in mainland China. All of our current operations, and administrative and corporate functions are conducted in Macau, Hong Kong and Singapore. We conduct our operations in Macau and we do not have any assets or operations in mainland China. Our principal executive offices are located in Singapore and Hong Kong. We have no variable interest entities in our corporate structure.

We face various legal and operational risks and uncertainties as a company operating in Macau. Since we derive all of our revenues from our Macau business and a significant number of our customers come from, and are expected to continue to come from, China, our results of operations and financial condition may be materially and adversely affected by significant regulatory developments in China. Actions by the PRC government can also significantly affect our business by, for example, placing limits on the ability of China residents to travel or remit currency or by restricting gaming-related marketing activities in China. See “— D. Risk Factors — Risks Relating to Conducting Business and Operating in Macau — Policies, campaigns and measures adopted by the PRC and/or Macau governments from time to time could materially and adversely affect our operations.”

The legal and operational risks associated with operating in mainland China may also apply to our operations in Hong Kong and Macau. The PRC government may also intervene or influence our operations in Macau, Hong Kong or elsewhere at any time, or may exert more control over offerings conducted overseas and/or foreign investment in issuers in China, which could result in a material change in our operations and/or the value of our ordinary shares. For example, in recent years, the PRC government has enhanced regulation in areas such as anti-monopoly, anti-unfair competition, cybersecurity and data privacy. See “— Risks Relating to Our Business — Failure to protect the integrity and security of company staff, supplier and customer information and comply with cybersecurity, data privacy, data protection or any other laws and regulations related to data may materially and adversely affect our business, financial condition and results of operations, and/or result in damage to reputation and/or subject us to fines, penalties, lawsuits, restrictions on our use or transfer of data and other risks” and “— Claims or regulatory actions against us under China’s competition laws may result in fines, constraints on our business and damage to our reputation.” These laws and regulations can be complex and stringent, and many are subject to change and uncertain interpretations, which could result in claims, changes to our data and other business practices, regulatory investigations, penalties, increased cost of operations, or declines in customer growth or engagement, or otherwise affect our business. As a result, the trading prices of our ADSs and ordinary shares could significantly decline or become worthless.

Additionally, the PRC government has in the past made statements indicating an intent to exert more oversight and control over offerings that are conducted overseas and/or foreign investment in China-based issuers and any such action could significantly limit or completely hinder our ability to offer or continue to offer securities to investors and cause the value of our securities to significantly decline or be worthless. There are risks and uncertainties which we cannot foresee for the time being, and rules and regulations in China can change quickly with little or no advance notice. See “— Risks Relating to Conducting Business and Operating in Macau — Changes in laws, regulations and policies in China and uncertainties in the legal systems in China may expose us to risks. In addition, rules and regulations in China can change quickly with little advance notice” and “— The PRC government may influence our operations or impact our offerings conducted overseas or foreign investments in us. Its oversight and discretion over our business could result in material changes in our operations and the value of our ordinary shares and ADSs.”

We also face risks associated with interpretations of or changes to gaming laws in Macau, including the interpretation of the amended gaming law in Macau, as well as the continued ability by the PCAOB to inspect our auditors.

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On May 4, 2022, we were identified as a Commission-Identified Issuer under the HFCAA and the rules promulgated thereunder because our auditor at that time was Ernst & Young, located in Hong Kong, which was a PCAOB-Identified Firm as of May 4, 2022. On August 16, 2022, we changed our auditor from Ernst & Young, located in Hong Kong, to Ernst & Young LLP, located in Singapore, which was not a PCAOB-Identified Firm. In December 2022, the PCAOB announced that it secured complete access to inspect and investigate registered public accounting firms headquartered in mainland China and Hong Kong. On June 7, 2024, we changed our auditor to Deloitte & Touche LLP, located in Singapore, which is also not a PCAOB-Identified Firm. As a result, until such time as the PCAOB issues any new determination, we do not believe we are at risk of being a Commission-Identified Issuer nor at risk of having our securities subject to a trading prohibition under the HFCAA.

Permissions, Approvals, Licenses, Certificates and Permits Required from PRC Authorities for Our Operations and for the Offering of Our Securities to Foreign Investors

As of the date of this annual report, we have obtained the requisite permissions, approvals, licenses, certificates and permits from PRC government authorities that are material for our business operations in those jurisdictions, and none have been denied. See “Item 4. Information on the Company — B. Business Overview — Regulations.”

Given the uncertainties of interpretation and implementation of relevant laws and regulations and enforcement practice by PRC government authorities, we may be required to obtain additional licenses, permits, filings or approvals for our business operations in the future, and may not be able to maintain or renew our current licenses, permits, filings or approvals. In addition, rules and regulations in China can change quickly with little advance notice. Uncertainties due to evolving laws and regulations could impede our ability to obtain or maintain certificates, permits or licenses required to conduct business in China. In the absence of required certificates, permits or licenses, governmental authorities could impose material sanctions or penalties on us.

Furthermore, in connection with an issuance of securities to foreign investors, under current PRC laws, regulations and regulatory rules, as of the date of this annual report, we do not believe we would currently be required to obtain permissions from or complete any filing with the CSRC or required to go through cybersecurity review by the CAC. In addition, we have not been asked to obtain such permissions by any PRC authority or received any denial to do so. However, the PRC government has in the past made statements indicating an intent to exert more oversight and control over offerings that are conducted overseas and/or foreign investment by issuers like us and may do so in the future. There remains significant uncertainty as to the enactment, interpretation and implementation of regulatory requirements related to overseas securities offerings and other capital markets activities.

If (i) (a) we incorrectly conclude that certain regulatory permissions and approvals are not required or (b) applicable laws, regulations, or interpretations change in a way that requires us to complete such filings or obtain such approvals in the future, and (ii) we are required to obtain such permissions or approvals in the future, but fail to receive or maintain such permissions or approvals, we may face sanctions by the CSRC, the CAC or other PRC regulatory agencies. These regulatory agencies may impose fines and penalties on us, limit our operations, limit our ability to pay dividends outside of China, limit our ability to list on stock exchanges outside of China or offer our securities to foreign investors or take other actions that could have a material adverse effect on our business, financial condition, results of operations and prospects, as well as the trading price of our securities.

Cash Flows Through Our Organization

Cash from financings and operations is primarily retained by our operating subsidiaries for the purposes of funding our operating activities and capital expenditures. Cash within our group is primarily transferred between our subsidiaries through intercompany loan arrangements. Financing raised by Studio City

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International Holdings Limited has been transferred to our financing and operating subsidiaries through the use of equity capital contributions or intercompany loan arrangements. In 2025, excluding cash transferred for the purpose of the settlement of intragroup charges, no cash has been transferred to our holding company, Studio City International Holdings Limited, from its subsidiaries. See also “Item 4. Information on the Company — B. Business Overview — Taxation” and “Item 8. Financial Information — A. Consolidated Statements and Other Financial Information — Dividend Policy.” There are no regulatory or foreign exchange restrictions or limitations on our ability to transfer cash within our corporate group or to declare dividends to holders of our ADSs, except that our subsidiaries incorporated in Macau are required to set aside a specified amount of the entity’s profit after tax as a legal reserve which is not distributable to the shareholders of such subsidiaries. See “Item 4. Information on the Company — B. Business Overview — Regulations — Restrictions on Distribution of Profits Regulations” and “Item 10. Additional Information — D. Exchange Controls.”

We currently intend to retain most, if not all, of our available funds and any future earnings to repay or refinance our debt, fund our ongoing operations and fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. See “Item 8. Financial Information — A. Consolidated Statements and Other Financial Information — Dividend Policy” and note 15 to the consolidated financial statements included elsewhere in this annual report.

You should carefully consider all of the information in this annual report before making an investment in the ADSs. The following summarizes some, but not all, of the risks provided below. Please carefully consider all of the information discussed in this Item 3.D. “Risk Factors” in this annual report for a more thorough description of these and other risks.

You should carefully consider the following risk factors in addition to the other information set forth in this annual report. Our business, financial condition and results of operations can be affected materially and adversely by any of the following risk factors.

Risks Relating to Our Business

- Risks relating to our reliance on the operation of the Studio City Casino under the Studio City Casino Agreement.
- Risks relating to our short operating history.
- Risks relating to our sole operation of Studio City.
- Risks relating to our history of net losses.
- Risks relating to the inability to generate sufficient cash flow to meet our debt service obligations.
- Risks relating to our compliance with credit facility and debt instruments.
- Risks relating to our current and potential future indebtedness and our need for additional financing.
- Risks relating to depending on the continued efforts of our senior management and retaining qualified personnel.
- Risks relating to failure to comply with anti-corruption laws and anti-money laundering policies.
- Risks relating to cybersecurity and failure to protect the integrity and security of data, including customer information.
- Risks relating to being based in or having all of our operations in Singapore, Hong Kong and Macau, uncertainties in the legal systems in China, and policies, campaigns and measures adopted by the PRC and/or Macau governments from time to time.
- Risks relating to inadequate insurance coverage.

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Risks Relating to Operating in the Gaming Industry in Macau

- Risks relating to the Gaming Operator's Concession Contract.
- Risks relating to facing intense competition.
- Risks relating to the interpretation of the Macau gaming law and related laws and their implementation by the Macau government.
- Risks relating to adverse changes or developments in gaming laws or regulations in Macau.

Risks Relating to Our Relationship with Melco Resorts

- Risks relating to our dependence on our shareholder, Melco Resorts.

Risks Relating to Conducting Business and Operating in Macau

- Risks relating to restrictions on export of Renminbi.

Risks Relating to Our Shares and ADSs

- Risks relating to compliance with the New York Stock Exchange requirements for continued listing.

Risks Relating to Our Business

Because neither we nor any of our subsidiaries hold a gaming license in Macau, Studio City Casino is operated by the Gaming Operator through the Studio City Casino Agreement under the Gaming Operator's concession. Any failure by the Gaming Operator to comply with its obligations as a concessionaire or any failure by the Gaming Operator or us to comply with its or our respective obligations under the Studio City Casino Agreement, including any regulatory requirements thereunder, may have a material adverse effect on the operation of the Studio City Casino.

The Gaming Operator and our subsidiary, Studio City Entertainment, have entered into the Studio City Casino Agreement under which the Gaming Operator has agreed to operate Studio City Casino since we do not hold a gaming license in Macau. Under the Studio City Casino Agreement, the Gaming Operator, among other things, manages the day-to-day operations at the Studio City Casino, including determining the number and mix of gaming tables and gaming machines operated at the Studio City Casino, and recruits all casino staff, including dealers, cashiers, security and surveillance personnel and managers. The Gaming Operator deducts gaming taxes and the costs incurred in connection with its operations from Studio City Casino's gross gaming revenues and we receive the residual amount and recognize such residual amount as revenue from the Studio City Casino Agreement. While the Studio City Casino Agreement obligates the Gaming Operator to manage the day-to-day operations of the Studio City Casino in a manner intended to appeal to gaming patrons at a standard of quality of service set by the Gaming Operator in line with the overall development and operational strategy determined by the Company, the Studio City Casino Agreement does not require the Gaming Operator to operate a minimum number of gaming tables or gaming machines at the Studio City Casino or any specified mix of gaming tables and gaming machines. Accordingly, while 259 mass gaming tables and 800 gaming machines are currently available for operation at the Studio City Casino, there is no assurance that such number and mix of gaming tables and gaming machines will be maintained by the Gaming Operator and the number of gaming tables and/or gaming machines may be reduced or increased by the Gaming Operator as it may determine pursuant to the terms and conditions of the Studio City Casino Agreement.

The Studio City Casino Agreement was initially approved by the Macau government and was subject to the satisfaction of certain conditions imposed by the Macau government on the Gaming Operator and us in connection with granting its approval. Such conditions included but were not limited to Studio City

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Entertainment being subject to Macau government supervision applicable to gaming concessionaires. Upon the execution of the amendment to the Studio City Casino Agreement on June 23, 2022, such conditions ceased to apply. As a substantial part of our revenues and cash flows are generated from the Gaming Operator's operation of Studio City Casino, any failure by the Gaming Operator to comply with any statutory, contractual or any other duties imposed on it as a concessionaire, or any failure by the Gaming Operator or us to comply with its or our respective obligations under the Studio City Casino Agreement, may have a material adverse effect on the operation of Studio City Casino, including its suspension or cessation, and may cause the suspension or termination of the Gaming Operator's concession.

Any changes in Macau's gaming law or other requirements applicable to the concession granted to the Gaming Operator by the Macau government that necessitate amendments to, or termination of, the Studio City Casino Agreement, would have a material adverse effect on the operation of the Studio City Casino and, in turn, our financial condition and results of operations. If the Studio City Casino Agreement terminates, we may not be able to enter into a new similar agreement. In addition, any amended or replaced terms of the Studio City Casino Agreement may not be comparable to our current arrangements and may not be, totally or partially, acceptable to us. In addition, if the Gaming Operator's concession terminates, the Gaming Operator will discontinue operating the Studio City Casino and the Studio City Casino Agreement will terminate and we may not be able to enter into an arrangement for the operation of Studio City Casino with another concessionaire on terms that are comparable or acceptable to us or at all, and the Studio City Casino premises and gaming equipment will revert or be transferred to the Macau government without compensation. Furthermore, the Gaming Operator has exclusive access to the customer database of the gaming operations at Studio City Casino and in the event of termination of the arrangement under the Studio City Casino Agreement, we may not be able to gain access to such database.

Any material dispute with the Gaming Operator or any failure by the Gaming Operator to comply with its obligations under its concession, or by the Gaming Operator or us to comply with its or our respective obligations under, or any termination of, the Studio City Casino Agreement may have a material adverse effect on the operation of Studio City Casino and in turn affect our financial condition and results of operations and may also result in a default under the terms of our existing and/or future indebtedness obligations and other agreements.

We have a short operating history for our full operations compared to many of our competitors and are therefore subject to significant risks and uncertainties. Our short operating history may not be indicative of our future operating results and prospects.

We have a short business operating history for our full operations compared to many of our competitors, and there is limited historical information available about us upon which you can base your evaluation of our business and prospects. Studio City commenced operations in October 2015 and Phase 2 progressively opened in April and September of 2023. As a result, you should consider our business and prospects in light of the risks, expenses, uncertainties and challenges that we may face given our short operating history in the intensely competitive market of the gaming business. The historical performance at the other casinos operated by the Gaming Operator should not be taken as an indication of Studio City Casino's future performance.

We may encounter risks and difficulties frequently experienced by companies with early stage operations, and those risks and difficulties may be heightened by challenging market conditions of the gaming business in Macau and other challenges our business faces. Certain of these risks relate to our ability to:

- operate, support, expand and develop our operations and our facilities;
- respond to economic uncertainties and global or regional health events;
- respond to competitive market conditions;
- fulfill conditions precedent to draw down or roll over funds from current and future credit facilities;

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- comply with covenants under our existing and future debt issuances and credit facilities;
- respond to changing financial requirements and raise additional capital, as required;
- attract and retain customers and qualified staff;
- maintain effective control of our operating costs and expenses;
- maintain internal personnel, systems, controls and procedures to assure compliance with the extensive regulatory requirements applicable to our business as well as regulatory compliance as a public company; and
- assure compliance with, and respond to changes in, the regulatory environment and government policies.

If we are unable to successfully manage one or more of such risks, we may be unable to operate our businesses in the manner we contemplate and generate revenues in the amounts and at the rate we anticipate. If any of these events were to occur, it may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

We rely on services provided by subsidiaries of Melco Resorts, including hiring and training of personnel for Studio City.

According to the Studio City Casino Agreement, the Gaming Operator, a subsidiary of Melco Resorts, is responsible for the operation of the Studio City Casino facilities, including hiring, employing, training and supervising casino personnel. The Gaming Operator deducts gaming taxes and the costs incurred in connection with its operations, including staff costs from Studio City Casino's gross gaming revenues. We expect the Gaming Operator to continue managing all recruitment and training-related matters for staff that have been deployed at Studio City Casino.

In addition, under the Management and Shared Services Arrangements, we receive certain services from certain members of the Melco Resorts group. We rely on the Master Service Providers to recruit, allocate, train, manage and supervise a substantial majority of the staff who are all solely dedicated to our property to perform our corporate and administrative functions and carry out other non-gaming activities, including food and beverage management, retail management, hotel management, entertainment projects, mall development and sales and marketing activities, among others. In addition, pursuant to the Management and Shared Services Arrangements, certain shared services staff including certain senior management from the Master Service Providers are not solely dedicated to our property and may not devote all of their time and attention to the operation of Studio City. These shared services staff work for other properties owned by Melco Resorts, which may directly and indirectly compete with us. Any expansion of the business of Melco Resorts, whether effectuated through the Gaming Operator or other companies, could divert the attention and time of these shared services staff from the operations of Studio City and adversely affect us.

With the increase in business volumes, Studio City may need more personnel to cater to a growing market, with a significant portion of these vacancies expected to be filled by non-resident workers for which Macau government-issued quotas are required. If the Gaming Operator or the Master Service Providers are unable to attract and retain a sufficient number of qualified staff or to provide satisfactory services to us or the costs of qualified staff increase significantly, our business, financial condition and results of operations could be materially and adversely affected.

The costs associated with the Studio City Casino Agreement and the Management and Shared Services Arrangements may not be indicative of the actual costs we could have incurred as an independent company.

Under the Studio City Casino Agreement, the Gaming Operator manages the day-to-day operations of the Studio City Casino and deducts gaming taxes and its costs of operations. We receive the residual gross gaming revenues and recognize these amounts as our revenue from casino contract.

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Under the Management and Shared Services Arrangements, certain of our corporate and administrative functions as well as operational activities are administered by staff employed by certain subsidiaries of Melco Resorts, including senior management services, centralized corporate functions and operational and venue support services. Payment arrangements for the services are provided for in the individual work agreements and may vary depending on the services provided. Corporate services are charged at pre-negotiated rates, subject to a base fee and cap. Senior management service fees and staff costs on operational services are allocated to us based on percentages of efforts on the services provided to us. Other costs in relation to shared office equipment are allocated based on a percentage of usage.

We believe the costs incurred under the Studio City Casino Agreement and the allocation methods under the Management and Shared Services Arrangements are reasonable and the consolidated financial statements reflect our cost of doing business. However, such allocations may not be indicative of the actual expenses we would have incurred had we operated as an independent company.

We face concentration risk in relation to our sole operation of Studio City.

We are dependent upon the operation of Studio City to generate our revenue and cash flows. Given that our operations are conducted only at Studio City in Macau, we are subject to greater risks than a company with several operating properties in several markets. These risks include, but are not limited to:

- changes in Macau laws and regulations, including gaming laws and regulations, or interpretations thereof, as well as China travel and visa policies;
- dependence on the gaming, tourism and leisure market in China;
- limited diversification of our business and sources of revenue;
- a decline in air, land or ferry passenger traffic to Macau from China or other areas or countries due to higher ticket costs, fears concerning travel, travel restrictions or otherwise;
- a decline in economic and political conditions in China or Asia;
- an increase in competition within the gaming industry in Macau or generally in Asia;
- inaccessibility to Macau due to inclement weather, road construction or closure of primary access routes;
- austerity measures imposed now or in the future by the governments in China or other countries in Asia;
- tightened control of cross-border fund transfers, foreign exchange and/or anti-money laundering regulations or policies effected by the PRC or Macau governments;
- any enforcement or legal measures taken by the PRC government to deter gaming activities and/or marketing thereof;
- lower than expected rate of increase or decrease in the number of visitors to Macau;
- natural and other disasters, including typhoons, outbreaks of infectious diseases, terrorism, violent criminal activities or other disruptions affecting Macau;
- relaxation of regulations on gaming laws in other regional economies that could compete with the Macau market;
- government restrictions on growth of gaming markets, including policies on gaming table and electronic gaming machine allocations and caps; and
- a decrease in gaming activities and other spending at Studio City Casino.

See also “Risks Relating to Conducting Business and Operating in Macau.”

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Any of these developments or events could have a material adverse effect on our business, cash flows, financial condition, results of operations and prospects.

Furthermore, Macau is a limited gaming concession market nearing its land capacity for the development of integrated resorts and there are no opportunities to expand our operations.

If VIP rolling chip operations are re-introduced at the Studio City Casino, Studio City Casino's VIP rolling chip operations may cause volatility in our financial condition and results of operations due to changes in the economic and regulatory environments and Studio City Casino's ability to attract and retain VIP rolling chip patrons.

Studio City Casino has historically incurred costs associated with VIP rolling chip operations, while the revenues generated from VIP rolling chip operations were volatile primarily due to high bets and the resulting high winnings and losses. Gross win per VIP table per day were approximately US\$17,000 and US\$8,400 in 2024 and 2023, respectively. VIP rolling chip operations are also more vulnerable to changes in the economic environment and therefore inherently more volatile than mass market operations. Moreover, VIP rolling chip operations may involve commissions to gaming promoters, if any are engaged to provide services to Studio City Casino, and, as a result, the margins associated with VIP rolling chip operations are usually lower than the margins for the mass market operations and may be volatile from period to period due to significant variances in winnings and losses. As a result, if rolling chip operations are re-introduced at the Studio City Casino, Studio City Casino's business, results of operations and cash flows may become more volatile, compared to that of other casinos with only mass market gaming operations.

Further, the VIP rolling chip patrons pool is limited and we cannot assure you that any future VIP rolling chip patrons at Studio City Casino would be recurring players. If Studio City Casino loses its future VIP rolling chip patrons or fails to attract new VIP rolling chip patrons, revenues and cash flows from the revenue from casino contract could become materially and adversely affected. In addition, VIP rolling chip operations may be particularly susceptible to certain changes in government policies, regulations and enforcement actions. For instance, the anti-corruption campaign of the PRC government has had a negative effect on the VIP rolling chip operations in Macau. In late 2021 and early 2022, the Macau authorities arrested executives from gaming promoters for alleged illegal overseas gaming related activities. In 2023, certain of these individuals were sentenced to jail terms in addition to the payment of monetary compensation to the Macau government. Any further changes in government policies, regulations and enforcement actions may negatively affect the numbers of VIP rolling chip patrons in Macau and in turn, may materially and adversely affect our business if rolling chip operations are re-introduced at the Studio City Casino.

We have a history of net losses and may not achieve profitability in the future.

Studio City may not be financially successful or generate the cash flows that we anticipate. While we generated net income attributable to Studio City International Holdings Limited for the year ended December 31, 2019, we have historically had net losses attributable to Studio City International Holdings Limited in each of our other years of operation. For the year ended December 31, 2025, we had a net loss attributable to Studio City International Holdings Limited in the amount of US\$58.8 million.

We expect our costs and expenses to increase in absolute amounts due to the continued growth of our operations, which will cause us to incur increased costs and expenses associated with the operation of our businesses. We also expect that we will continue to incur capital expenditures as we continue to grow our existing operations. These efforts may be more costly than we expect and our revenue may not increase sufficiently to offset these expenses. We may continue to take actions and make investments that do not generate optimal short-term financial results and may even result in increased operating losses in the short term with no assurance that we will eventually achieve the intended long-term benefits or profitability. These factors may adversely affect our ability to achieve profitability and service debt obligations and interest payments under any of our existing or future financing facilities.

We have a substantial amount of existing indebtedness and may incur additional indebtedness, which could have significant effects on our business and future operations.

We have a substantial amount of existing indebtedness. As of December 31, 2025, we had total principal amount of outstanding indebtedness of US\$2.03 billion, representing the outstanding principal balances of our existing notes and credit facilities. See “Item 5. Operating and Financial Review and Prospects — B. Liquidity and Capital Resources — Indebtedness.” Significant interest and principal payments are required to meet our obligations under the existing indebtedness. This substantial indebtedness could have important consequences for you and significant effects on our business and future operations. For example:

- if Studio City is not operating with certain minimum requirements as specified in the SCC 2021 Credit Facilities and the SCC 2024 Revolving Facilities, or if we fail to meet our payment obligations or otherwise default under the agreements governing our existing indebtedness, including due to any termination or any substantial or adverse amendment of the terms of the Studio City Casino Agreement, the applicable lenders or note holders under our indebtedness will have the right to accelerate such indebtedness and exercise other rights and remedies against us;
- we may be limited in our ability to obtain additional financing, if needed, to fund our working capital requirements, capital expenditures, debt service, general corporate or other obligations, including our obligations with respect to the existing indebtedness;
- we may use all or a substantial portion of our cash flow from operations of Studio City to service our indebtedness, which will reduce the available cash flow to fund our operations, capital expenditures and other general corporate purposes;
- we may be limited in our ability to respond to changing business and economic conditions, including regulatory changes, and to withstand competitive pressures, which may affect our financial condition;
- under certain existing indebtedness, the interest rates we pay in respect of the indebtedness which we are not required to hedge will fluctuate with the current market rates and, accordingly, our interest expense will increase if market interest rates increase;
- we may be placed at a competitive disadvantage to our competitors who are not as highly leveraged; and
- in the event that we or one of our subsidiaries were to default, it may result in the loss of all or a substantial portion of our and/or our subsidiaries’ assets over which our creditors have taken or will take security.

Under the terms of the agreements governing our existing indebtedness, we are permitted to incur additional indebtedness if certain conditions are met, some of which may be senior secured indebtedness. If we incur additional indebtedness, certain risks described above will be exacerbated.

If we are unable to comply with our existing and/or future indebtedness obligations and other agreements, including due to any termination or any substantial or adverse amendment to the terms of the Studio City Casino Agreement, there could be a default under those agreements. If that occurs, lenders could terminate their respective commitments to lend to us or terminate their respective agreements, and holders of our debt securities could accelerate repayment of debt and declare all outstanding amounts due and payable, as the case may be. Furthermore, existing agreements governing our indebtedness contain, and future agreements governing our indebtedness are likely to contain, cross-acceleration or cross-default provisions. As a result, our default under any such agreement may cause the acceleration of repayment of other indebtedness or result in a default under agreements governing our other indebtedness. If any of these events occur, our assets and cash flows may not be sufficient to repay in full all of our indebtedness and we may not be able to find alternative financing. Even if we are able to obtain alternative financing, it may not be on terms that are comparable or acceptable to us.

Certain covenants under our agreements governing our existing indebtedness restrict our ability to engage in certain transactions and may impair our ability to respond to changing business and economic conditions.

Certain covenants under our agreements governing our existing indebtedness impose operating and financial restrictions on us. The restrictions that are imposed under these debt instruments include, among other things, limitations on our ability to do some or all of the following:

- pay dividends or distributions on account of our equity interests;
- make specified restricted payments;
- incur additional debt;
- engage in other businesses or make investments;
- create liens on assets;
- enter into transactions with affiliates;
- merge or consolidate with another company;
- transfer and sell assets;
- issue preferred stock;
- create dividend and other payment restrictions affecting subsidiaries; and
- designate restricted and unrestricted subsidiaries.

Certain of our indebtedness is secured by mortgages, assignment of land use rights, leases or equivalents, security over shares, charges over bank accounts, security over assets and other customary security over the assets of our subsidiaries. In the event of a default under such agreements governing our existing indebtedness, the holders of such secured indebtedness would first be entitled to payment from their collateral security and only then would holders of certain of our subsidiaries' unsecured debt be entitled to payment from their remaining assets.

As a result of these covenants and restrictions, we will be limited in how we conduct our business, and we may be unable to raise additional financing to compete effectively or to take advantage of new business opportunities. Future indebtedness or other contracts could contain financial or other covenants more restrictive than those contained in the agreements governing the existing indebtedness. In addition, general economic conditions, industry conditions and other events beyond our control may also affect our ability to comply with these provisions. If we fail to abide by such covenants, we may be unable to maintain our current financing arrangements, obtain suitable future financings or avoid an event of default which may adversely impact our cash flows, existing operations and future development.

We may not be able to obtain adequate financing on satisfactory terms, or at all.

In the past, we have funded our capital investment projects primarily through credit facilities, issuance of debt securities and equity financings. We may require additional funding in the future for our existing business, which may be substantial and which we may raise through a combination of credit, debt and equity financings. We may be required to seek the approval or consent of or notify the relevant government authorities or third parties in order to obtain such financings. We cannot assure you that we would be able to obtain such required approval or consent from the relevant government authorities or third parties with respect to such financing in a timely manner or at all.

Any financing will also be subject to, among others, the terms of our existing and any future financings. In addition, our ability to obtain credit, debt or equity financing on acceptable terms depends on a variety of factors that are beyond our control, including market conditions, investors' and lenders' perceptions of,

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and demand for, bond, bank and equity securities of gaming companies and interest rates. Studio City Company currently has a corporate rating of “B+” with a stable outlook by Standard & Poor’s. Studio City Finance currently has a corporate rating of “B1” by Moody’s Investors Service with a stable outlook. Although many central banks have started reducing interest rates, the direction of global policies remain uncertain. Since 2022, continued stress in the China’s property sector and a weaker, uneven post-pandemic economic recovery have weighed on risk sentiment toward China-linked U.S. dollar high-yield credit more broadly. This has at times contributed to wider spreads and weaker secondary-market performance for high-yield bonds of issuers in other sectors connected with China, including those issued by Macau gaming operators and associated entities. As a result, we cannot assure you that we will be able to obtain sufficient funding on terms satisfactory to us, or at all, to finance our existing business. If we are unable to obtain such funding, our business, cash flow, financial condition, results of operations and prospects could be materially and adversely affected. We may, from time to time, seek to obtain new financings or refinance our outstanding debt through the international markets. Any such financing or refinancing, and our evaluation thereof, will depend on the prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

We generate a portion of our revenues from, and are subject to risks in operating, non-gaming offerings.

We generate a portion of our revenues from non-gaming offerings and our financial performance in part depends on our ability to attract new and repeat customers to the non-gaming facilities at Studio City. Both visitation and the level of spending at our themed attractions, hotel towers, retail shops, restaurants and other leisure and entertainment facilities are key drivers of revenues and profitability, and reductions in either could have a material adverse effect on our business, prospects, results of operations and cash flows. We do not have a long track record in operating some of these non-gaming facilities and may not be able to attract new and recurring customers to our non-gaming facilities at Studio City. Our success in non-gaming offerings depends on, among others, the effectiveness of our advertising and marketing initiatives, the attractiveness and safety of our entertainment facilities as compared to other resorts in Macau, the compliance with legal and regulatory requirements for our retail, entertainment and food and beverage outlets and our continued cooperation with the popular retail brands and restaurants. Moreover, many of our attractions which draw in large numbers of visitors, such as the Golden Reel, may become obsolete in terms of technology or otherwise fail to continue to attract sufficient number of visitors. We cannot assure you that we will be financially successful in our non-gaming offerings or be able to maintain the average daily rate, occupancy rate and REVPAR of Studio City Hotel or visitation to Studio City in general, which may adversely affect our ability to generate the cash flows that we anticipate and impact our operations and financial condition.

Studio City Casino’s gaming operations could be impacted by the reputation and integrity of the parties engaged in business activities at Studio City Casino and we cannot assure you that these parties will always maintain high standards of conduct or suitability throughout the term of Studio City Casino’s association with them. Failure to do so may potentially cause the Gaming Operator, us and our shareholders to suffer harm to our and our shareholders’ reputation, as well as impaired relationships with, and possibly sanctions from, gaming regulators.

The reputation and integrity of the parties who are or will be engaged in gaming activities at Studio City Casino are important to the continued operations of the casino in compliance with Gaming Operator’s concession and our own reputation. For parties that engage in gaming related activities, where relevant, the gaming regulators are expected to undertake their own probity checks and will reach their own suitability findings in respect of the activities and parties with which Studio City Casino may be associated. In addition, we conduct, and we expect that the Gaming Operator will conduct, an internal due diligence and evaluation process prior to the engagement of such parties. However, notwithstanding such regulatory probity checks, the Gaming Operator’s due diligence and our own due diligence, we cannot assure you that the parties with whom Studio City Casino is or will be associated will always maintain the high standards that gaming regulators, the Gaming Operator and we require or that such parties will maintain their suitability throughout the term of Studio City Casino’s association with them. If Studio City Casino were to be associated with any party whose probity was in

doubt, this may reflect negatively on the Gaming Operator. A party associated with Studio City Casino may fall below the gaming regulators' suitability standards.

In particular, the reputation of the gaming promoters that may operate in Studio City Casino from time to time is important to the Gaming Operator's ability to continue to operate in compliance with its concession and our own reputation. While we expect that the Gaming Operator endeavors to ensure high standards of probity and integrity in any such gaming promoters, we cannot assure you that such gaming promoters will always maintain such high standards. In addition, if the probity of any gaming promoter associated with Studio City Casino was in doubt or such promoter failed to operate in compliance with Macau laws consistently, this may be considered by regulators or investors to reflect negatively on the Gaming Operator's probity and compliance records. Such a gaming promoter may fall below the Gaming Operator's or our standards of probity, integrity and legal compliance. There can also be no assurance that any allegation against, or negative publicity relating to, the gaming promoters operating in Studio City Casino from time to time or the Gaming Operator's or our standards of probity, integrity and legal compliance will not have a material adverse impact on our reputation and business operations.

If any of the above were to occur, we, the Gaming Operator and our shareholders may suffer harm to our, the Gaming Operator's and our shareholders' reputation, as well as impaired relationships with, and possibly sanctions from, gaming regulators with authority over operations.

Our results of operations are subject to seasonality and other fluctuations.

We are subject to seasonality and other fluctuations in our business. Our revenue is also largely affected by promotional and marketing activities and revenue may increase as a result of these activities. Launch of new promotions or the timing of such promotions may further cause our quarterly results to fluctuate and differ from historical patterns. Our results of operations will likely fluctuate due to these and other factors, some of which are beyond our control, including but not limited to: (i) fluctuations in overall consumer demand for gaming and hospitality, leisure and resort during certain months and holidays; (ii) introduction of new policies or regulatory measures; and (iii) macro-economic conditions and their effect on discretionary consumer spending. Because of these and other factors as well as the short operating history of our business, it is difficult for us to accurately identify recurring seasonal trends in our business. In addition, our rapid growth has masked certain fluctuations that might otherwise be apparent in our results of operations. When our growth stabilizes, the seasonality in our business may become more pronounced. If we fail to accurately identify the seasonal trends in our business and match our customer services and supplies in an effective manner, it may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

Macau's infrastructure may not adequately support the development of Macau's gaming and leisure industry, which may adversely affect our expected performance.

Macau consists of a peninsula and two islands and is connected to mainland China by five land border crossings. Macau has an international airport and connections to mainland China and Hong Kong by road and ferry. To support Macau's planned future development as a gaming and leisure destination, the frequency of bus, car, air and ferry services to Macau will need to increase. While various projects are under development to improve Macau's internal and external transportation links, including the expansion of the Macau Light Rapid Transit and capacity expansion of border crossings, these projects may not be approved, financed or constructed in time to handle the projected increase in demand for transportation or at all, which could impede the expected increase in visitation to Macau and adversely affect Studio City. Furthermore, even if constructed, the expected benefits of these projects may not fully materialize, and may not result in significantly increased traffic to Macau and to Studio City. Any further delays or termination of Macau's transportation infrastructure projects may have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

Health and safety or food safety incidents at Studio City may lead to reputational damage and financial exposures.

We provide goods and services to a significant number of customers on a daily basis at Studio City. In particular, with the number of attractions, entertainment and food and beverage offerings in Studio City, there are risks of health and safety incidents, personal injury or adverse food safety events, such as food poisoning, physical trauma, slip and fall accidents or surges in crowd flow at popular ingress and egress points. While we have a number of measures and controls in place aimed at managing such risks, we cannot guarantee that our insurance is adequate to cover all losses, which may result in us incurring additional costs or damages, and negatively impact our financial performance. Such incidents may also lead to reduced customer flow and reputational damage to Studio City.

Information technology and other systems that we depend on are subject to cybersecurity risks, including disruptions to systems and operations, misappropriation of customer information, other breaches of information security or other cybercrimes, as well as regulatory and other risks.

We rely on information technology and other systems (including those maintained by third-party service providers, suppliers and customers) to maintain and transmit large volumes of customer information, credit card settlements, credit card funds transmissions, mailing lists and reservations information and other personally identifiable information. We also maintain important internal company data such as personally identifiable information about our staff and information relating to our operations. The systems and processes we have implemented to protect customers, staff and company information are subject to the rapidly changing risks of compromised security and may therefore become outdated. Despite our preventive efforts, we are subject to the risks of compromised security, including cyber and physical security breaches, system failures, computer viruses, technical malfunctions, inadequate system capacities, power outages, natural disasters and inadvertent, negligent or intentional misuses, disclosure or dissemination of information or data by customers, company staff or employees of third-party vendors, ransomware attacks that encrypt, exfiltrate or otherwise render data unusable or unavailable or other forms of cybercrimes that include fraud or extortion. These risks can also be manifested in a variety of other ways, including through methods which may not yet be known to the cybersecurity community, and have become increasingly difficult to anticipate and prevent.

The steps we take to deter and mitigate these risks may not be successful or effective and our insurance coverage for protecting against cybersecurity risks may not be sufficient. The third parties that we engage or conduct business with face risks relating to cyber security similar to ours, and we do not directly control any of such service providers' information security operations. A significant theft, loss or fraudulent use of customer or company data maintained by us or by a third-party service provider could have an adverse effect on our reputation, cause a material disruption to our operations and management team, and result in remediation expenses, regulatory penalties and litigation by customers and other parties whose information was subject to such attacks, all of which could have a material adverse effect on our business, prospects, results of operations and cash flows.

In addition to risks related to the theft, loss, or unauthorized disclosure of data, we are also exposed to risks related to the availability and functionality of our information technology systems such as resulting from cybercrimes or information technology outages. If our information technology systems become damaged or otherwise cease to function properly, our service and results of operations may be adversely affected and we may have to make significant investments to repair or replace them. Furthermore, any extended downtime from power supply disruptions or information technology system outages which may be caused by cyber security attacks or other reasons at Studio City may lead to an adverse impact on our operating results if we are unable to deliver services to customers for an extended period of time.

Despite the security measures we currently have in place, our facilities and systems and those of our third-party service providers may be vulnerable to security breaches, acts of vandalism, phishing attacks,

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computer viruses, misplaced or lost data, programming or human errors, other cybercrimes and other events. Cybersecurity risks continue to intensify globally, with cybercriminals employing increasingly sophisticated methods of cyber-attack. There have been well-publicized attacks on large corporations, including several in our industry. Cyber-attacks are difficult to anticipate and prevent, and the technology we use to protect our systems could become outdated. The occurrence of any of the cyber incidents described above could cause reputational harm to us, expose us to legal proceedings and have a material adverse effect on our business, results of operations and cash flows.

Any perceived or actual electronic or physical security breach involving the misappropriation, loss, or other unauthorized disclosure of confidential or personally identifiable information, whether by us or by a third party, could disrupt our business, damage our reputation and relationships with our customers, suppliers and staff, expose us to risks of litigation, significant fines and penalties and liability, result in the deterioration of our customers', suppliers' and staff's confidence in us, and adversely affect our business, results of operations and financial condition. Any perceived or actual unauthorized disclosure of personally identifiable information of our staff, customers, suppliers or website visitors could harm our reputation and credibility and reduce our ability to attract and retain staff, customers and suppliers. We are also subject to enactment of new laws or amendments to existing laws with more stringent requirements in relation to cybersecurity from time to time. See "Item 4. Information on the Company — B. Business Overview — Regulations — Cybersecurity Regulations." As any of the above cybersecurity threats develop and grow and our obligations under cybersecurity regulations increase, we may find it necessary to make significant further investments to protect our data and infrastructure, including the implementation of new computer systems or upgrades to existing systems, deployment of additional personnel and protection-related technologies, engagement of third-party consultants, and training of personnel.

Finally, while we have implemented a cybersecurity risk management program, there can be no assurance that our cybersecurity risk management program and processes, including our policies, controls or procedures, will be fully implemented, complied with or effective in protecting our systems and information. See also "Item 16K. Cybersecurity."

Failure to protect the integrity and security of company staff, supplier and customer information and comply with cybersecurity, data privacy, data protection or any other laws and regulations related to data may materially and adversely affect our business, financial condition and results of operations, and/or result in damage to reputation and/or subject us to fines, penalties, lawsuits, restrictions on our use or transfer of data and other risks.

Our businesses collect, use and transmit large volumes of data, including personal data and sensitive data in various information systems relating to our guests, patrons, suppliers and staff. Such personal data is collected, used and transmitted in a number of ways to operate our business. It may also be transmitted to or from multiple jurisdictions. This includes between our offices, or to other jurisdictions, including where our third-party vendors are based.

We are subject to Macau's Personal Data Protection Act (Law 8/2025). In addition to privacy laws and regulations, we are subject to other cybersecurity regulations related to data.

Privacy, cybersecurity or related laws regulate a range of activities including the security of data, third-party transactions and transfers of information. They may also restrict certain business activities and increase our compliance costs and efforts. Any breach or non-compliance may subject us to proceedings, damage our reputation, or result in penalties and other significant legal liabilities, and thus may materially and adversely affect our business, financial condition, and results of operations. In addition, the cybersecurity, data privacy, data protection, or other data-related laws our operations are subject to continue to evolve, and the interpretation of such laws may be strict in some cases while uncertain in others.

On December 22, 2025, the mainland China National Information Security Standardization Technical Committee issued the Network Security Standard Practice Guide –Guangdong-Hong Kong-Macau Greater Bay Area Cross-Border Personal Information Protection Requirements (Draft for Comment), setting out the basic principles and protection requirements in the personal information cross-border flow in the Guangdong-Hong Kong-Macao Greater Bay Area, which requires personal information processors to comply with the local laws and regulations in the jurisdictions concerned. It is likely that this Standard Practice Guide, if effective, will be applicable to companies operating in Hong Kong and Macau, like us.

In some jurisdictions, including mainland China where we do not currently have operations, the cybersecurity, data privacy, data protection, or other data-related laws and regulations are relatively new and evolving. In December 2023, the Cybersecurity Administration of China, or CAC, introduced the Management Measures for Reporting Cybersecurity Incidents (Draft for Comment), which require mandatory reporting within one hour for significant, major, or exceptionally major incidents. On January 4, 2022, the CAC issued the New Measures for Cybersecurity Review, or the New Measures, which amended the Measures for Cybersecurity Review (Draft Revision for Comments) released on July 10, 2021 and came into effect on February 15, 2022. The New Measures extend the scope of cybersecurity review to network platform operators engaging in data processing activities that affect or may affect national security, including overseas listings. Specifically, the New Measures provide that if a network platform operator who possesses personal information of more than one million users plans to be listed in foreign countries, it must apply for cybersecurity review and, in any event, the CAC has the authority to initiate a cybersecurity review if it considers the data processing activities in connection with a proposed listing will or may affect national security. The New Measures do not specify the types of public listings that will be subject to cybersecurity review and do not give sufficient guidance on the specific types of data processing activities that may be subject to cybersecurity review. The PRC government authorities may have wide discretion in the interpretation and enforcement of the applicable laws. As such, we cannot predict the impact of the New Measures on us, if any, at this stage, and we will closely monitor and assess the developments in the rule-making process. If the practical application of the New Measures results in mandated clearance of cybersecurity reviews and other specific actions to be completed by companies operating in Hong Kong and Macau like us, we face uncertainties as to whether such clearance can be timely obtained, or at all. We have not received any formal notice from any PRC cybersecurity regulator that we should apply for or otherwise be subject to a cybersecurity review, but we cannot be certain that such notifications will not occur in the future.

On September 30, 2024, the Administration Regulations on Cyber Data Security (the “Data Security Regulations”) were published by the State Council, which came into effect on January 1, 2025. The Data Security Regulations reiterate and refine the general regulations for cyber data processing activities and rules of personal information protection, important data security protection, cyber data cross-border transfer security management, and the responsibilities of online platform service providers. In particular, the Data Security Regulations provide that cyber data processors whose cyber data processing activities affect or may affect national security shall be subject to national security review in accordance with the relevant regulations. However, the Data Security Regulations provide no further explanation or interpretation for the criteria on determining the risks that “affect or may affect national security.” Also, since the Data Security Regulations are still relatively new, the interpretation and implementation of these regulations may further evolve and develop, we cannot predict the impact of the Data Security Regulations on us.

In addition, the China Data Security Law, which was promulgated by the Standing Committee of the National People’s Congress on June 10, 2021 and took effect on September 1, 2021, requires data collection to be conducted in a legitimate and proper manner, and stipulates that, for the purpose of data protection, data processing activities must be conducted based on data classification and hierarchical protection systems for data security. Furthermore, the recently issued Opinions on Strictly Cracking Down Illegal Securities Activities requires (i) speeding up the revision of the provisions on strengthening the confidentiality and archives management relating to overseas issuance and listing of securities and (ii) improving the laws and regulations relating to data security, cross-border data flow, and management of confidential information. The China Personal Information Protection Law (“PIPL”), which was promulgated by the Standing Committee of the

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National People's Congress on August 20, 2021 and took effect on November 1, 2021, integrates the various rules with respect to personal information rights and privacy protection and applies to the processing of personal information within mainland China as well as certain personal information processing activities outside mainland China, including those for the provision of products and services to natural persons within mainland China or for the analysis and assessment of acts of natural persons within mainland China. Given that there remain uncertainties regarding the further interpretation and implementation of those laws and regulations, we cannot assure you that we will be compliant with such new regulations in all respects, and we may be ordered to rectify and terminate any actions that are deemed illegal by the government authorities and become subject to fines and other government sanctions, which may materially and adversely affect our business, financial condition, and results of operations. Furthermore, we must also comply with other industry standards such as those for the credit card industry and other applicable data security standards.

The General Data Protection Regulation (EU) 2016/679 ("GDPR") grants individuals extensive rights and places significant compliance obligations on organizations.

Compliance with applicable privacy and cybersecurity laws and regulations may increase our operating costs and/or adversely impact our ability to market our products, properties and services to our existing customers and guests or potential customer and guests. In addition, non-compliance with applicable privacy and cybersecurity laws and regulations by us (or in some circumstances non-compliance by third parties engaged by us) may result in damage to our reputation and/or subject us to fines, penalties, payment of damages, lawsuits, criminal liability or restrictions on our use or transfer of data. In some cases, penalties in one jurisdiction will be calculated having regard to the whole group's turnover. As awareness of privacy harms increase globally, expectations on us continue to rise. If we fail to recognize and meet these expectations, we could suffer damage to our reputation or loss of market share in some jurisdictions.

Any failure to keep pace with and successfully incorporate technological developments into our operations may impair our ability to compete effectively.

Sophisticated information technology and systems are used in the gaming operations at Studio City Casino and our non-gaming operations and corporate functions. Technological developments in tools and solutions which can be incorporated into our operations and processes, including at Studio City Casino, are rapidly evolving, such as the recent incorporation by the Gaming Operator and other gaming operators of gaming tables utilizing radio frequency identification which permit enhanced monitoring of wagers and other gaming table activities. In addition, technologies and solutions utilizing artificial intelligence ("AI") are becoming increasingly available, and we may adopt the use of AI-driven solutions in our businesses in the future.

Developing, acquiring, implementing and maintaining such tools and solutions may require significant capital and result in higher costs than anticipated. For example, due to the rapid evolution of AI technologies, we may need to devote significant resources to ensure that our implementation of AI solutions complies with applicable laws, regulations and internal governance and other policies. The use of AI solutions and other new technologies can also pose security risks to the confidential information and personal data maintained by us. If we or the Gaming Operator fail to keep pace with, or successfully incorporate, technological developments in such tools and solutions into the operations and processes at Studio City, our ability to compete may be impaired.

Negative press or publicity about us or our directors, officers or affiliates may lead to government investigations, result in harm to our business, brand or reputation and have a material and adverse effect on our business.

Unfavorable publicity regarding us or our directors, officers or affiliates, whether substantiated or not, including, but not limited to, as a result of any unfavorable publicity regarding and/or legal or other proceedings against parties we work with from time to time, including auditors, consultants and financial, legal or other advisors, may have a material and adverse effect on our business, brand and reputation. Such negative publicity

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may require us to engage in a defensive media campaign, which may divert our management's attention, result in an increase in our expenses and adversely impact our results of operations, financial condition, prospects and strategies. The prevalence of social media compounds the potential scope of the negative publicity that could be generated. Any negative press or publicity could also lead to government or other regulatory investigations, including causing regulators to take action against us or the Gaming Operator, including actions that could affect the ability or terms upon which the Gaming Operator holds its concession, its or our suitability to continue as a shareholder of certain subsidiaries and/or the suitability of key personnel to remain with the Gaming Operator. If any of these events were to occur, it could cause a material adverse effect on our business and prospects, financial condition and results of operations.

If qualified management and personnel cannot be retained at Studio City, our business could be significantly harmed.

We place substantial reliance on the gaming, project development and hospitality industry experience and knowledge of the Macau market possessed by members of our board of directors, our senior management team as well as other management personnel who serve Studio City under the Studio City Casino Agreement and the Management and Shared Services Arrangements. We may experience changes in our key management in the future for reasons beyond our control. Loss of Mr. Lawrence Ho's services or the services of the other members of our board of directors or key management personnel could hinder our ability to effectively manage our business and implement our growth and development strategies. Finding suitable replacements for members of our board of directors or senior management could be difficult, and competition for personnel of similar experience could be intense in Macau. In addition, we do not currently carry key person insurance on any members of our senior management team.

Operation of Studio City also requires extensive operational management and staff. The supply of experienced skilled personnel in Macau is severely limited. Many of the personnel occupy sensitive positions requiring qualifications sufficient to meet gaming regulatory and other requirements or are required to possess other skills for which substantial training and experience may be needed. Competition to retain qualified personnel is likely to continue as competition in the Macau integrated resort market increases. In addition, concessionaires are not currently allowed under the Macau government's policy to hire non-Macau resident dealers and supervisors. We cannot assure you that a sufficient number of qualified individuals will be attracted and retained to operate Studio City or that costs to recruit and retain such personnel will not increase significantly. In addition, the Gaming Operator has previously been subject to certain labor demands. The inability to attract, retain and motivate qualified staff and to continuously optimize our workforce based on changing business demands by the Gaming Operator and Master Service Providers could have a material adverse effect on our business.

In addition, recruitment efforts for the operations of Studio City may be adversely impacted by Macau government's policies with respect to the approval and renewal of work permits for non-resident workers. The Macau government has signaled a tighter control on the employment of non-resident workers and submits applications for employment of non-resident workers to a rigorous review and seeks to stimulate the promotion of local workers to management positions in the gaming industry. Further, in policy addresses in recent years, the Macau government has continuously stressed that it will continue to monitor the proportion of management positions held by local workers in gaming operators and implement measures to ensure that such proportion is kept at a percentage not lower than 85% for senior and mid-management positions.

Construction is subject to hazards that may cause personal injury or loss of life that expose us to liabilities and possible losses.

The construction and renovation of large-scale properties can be dangerous. Workers at such sites are subject to hazards that may cause personal injury or loss of life, thereby subjecting the contractors and us to liabilities, possible losses, delays in completion of the projects and negative publicity. We believe, and require that, our contractors take safety precautions that are consistent with industry practice, but these safety precautions

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may not be adequate to prevent serious personal injuries or loss of life, damage to property or delays. However, if accidents occur during construction or renovations at our property, there may be serious delays, including delays imposed by regulators, liabilities and possible losses which may not be covered by insurance, and our business, prospects and reputation may be materially and adversely affected.

Our contractors may face difficulties in finding sufficient labor at an acceptable cost, which could cause delays and increase construction costs.

The contractors we retain to construct or renovate our projects may face difficulties and competition in finding qualified construction labor and managers as more projects commence construction in Macau as well as due to the imposition of travel restrictions. Immigration and labor regulations as well as travel restrictions in Macau or China may cause our contractors to be unable to recruit sufficient laborers from China to make up for any shortage in available labor in Macau and to help reduce the costs of construction, which could cause delays and increase our construction costs.

The possible infringement of key intellectual property used in our business, the dissemination of proprietary information used in our business or the infringement or alleged infringement of intellectual property rights belonging to third parties could adversely affect our business.

As part of our branding strategy, we have applied for or registered a number of trademarks (including “Studio City” trademarks) in Macau, Hong Kong and other jurisdictions for use in connection with Studio City. Where possible, we intend to continue to register trademarks as we develop, review and implement our branding strategy for Studio City. We intend to take steps to safeguard our intellectual property from infringement by third parties, such as taking actions against trademark and copyright violations, if and when necessary, and our staff and/or staff of the Gaming Operator or its affiliates or its designees are subject to confidentiality provisions in their employment agreements. Despite such measures, we cannot assure you that we will be successful in defending against the infringement of intellectual property to be used in our business or that any proprietary information to be used in our business will not be disseminated to our competitors, which could have an adverse effect on our future results of operations. In addition, our current and any future trademarks are subject to expiration and we cannot guarantee that we will be able to renew all of them prior to expiration. Our inability to renew the registration of certain trademarks and the loss of such trademarks could have an adverse effect on our business, financial condition, results of operations and cash flows.

We face the potential risk of claims that we have infringed the intellectual property rights of third parties, which could be expensive and time-consuming to defend, cause us to cease using certain intellectual property rights or selling or providing certain products or services, result in us being required to pay significant damages or to enter into costly royalty or licensing agreements in order to obtain the right to use a third party’s intellectual property rights (if available at all), any of which could have a negative impact on the operation of Studio City and harm our future prospects. Furthermore, if litigation were to result from such claims, our business could be interrupted.

We may not have sufficient insurance coverage.

We currently have various insurance policies providing certain coverage typically required by gaming and hospitality operations in Macau. These insurance policies provide coverage that is subject to policy terms, conditions and limits. Certain of these policies have been obtained by us and certain of these policies have been obtained by Melco Resorts. We cannot assure you that we or, in the case of policies obtained by Melco Resorts, Melco Resorts will be able to renew such insurance coverage on equivalent premium costs, terms, conditions and limits upon their expiration. Certain events, such as typhoons and fires, have increased our premium costs and reduced policy limits. The cost of coverage may in the future become so high that insurance policies we deem necessary for the operation of our projects may not be obtainable on commercially practicable terms, or at all, or policy limits may need to be reduced or exclusions from our coverage expanded. Our cyber insurance may not

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cover all expenses and losses arising from any cybersecurity incidents and, accordingly, such breaches or other compromises of our or Melco Resorts' information security or that of ours or its third-party service providers or business partners may have an adverse impact on our operating results and financial condition.

We cannot assure you that any such insurance policies we or Melco Resorts obtained or may obtain will be adequate to protect us from material losses. Certain acts and events, including any pandemic, epidemic of infectious diseases, earthquakes, hurricanes and floods, terrorist acts, or cybersecurity attacks could expose us to significant uninsured losses that may be, or are, uninsurable or too expensive to justify obtaining insurance. As a result, we, or Melco Resorts, may not be successful in obtaining insurance without increases in cost or decreases in coverage levels. In addition, in the event of a substantial loss, the insurance coverage we carry or benefit from may not be sufficient to pay the full market value or replacement cost of our lost investment or in some cases could result in certain losses being totally uninsured. In addition to the damages caused directly by a casualty loss (such as fire or natural disasters), infectious disease outbreaks, terrorist acts or cybersecurity attacks, we may suffer a disruption of our business as a result of these events or be subject to claims by third parties who may be injured or harmed. While we intend to continue carrying business interruption insurance and general liability insurance, such insurance may not be available on commercially reasonable terms, or at all, and, in any event, may not be adequate to cover any losses that may result from such events.

There is limited available insurance in Macau and insurers in Macau may need to secure reinsurance in order to provide adequate cover for our property and development projects. Our credit agreements, the Gaming Operator's Concession Contract and certain other material agreements require a certain level of insurance to be maintained, which must be obtained in Macau, unless otherwise authorized by the respective counterparties. Failure to maintain adequate coverage could be an event of default under our credit agreements or the Gaming Operator's Concession Contract and may have a material adverse effect on our business, financial condition, results of operations and cash flows.

Studio City Entertainment's tax exemption from complementary tax on income received from the Gaming Operator under the Studio City Casino Agreement expired in 2021.

Companies in Macau are subject to complementary tax of 12% of taxable income, as defined in relevant tax laws. The Macau government granted to Studio City Entertainment, one of our subsidiaries, a Macau complementary tax exemption until 2021 on profits generated from income received from the Gaming Operator, to the extent that such income results from gaming operations within Studio City Casino and has been subject to gaming taxes. Studio City Entertainment applied for an extension of the complementary tax exemption for the period from January 1, 2022 to December 31, 2022 and further for the period from January 1, 2023 to December 31, 2032. The application for 2023 to 2032 was rejected and an objection to such decision was denied in a notice dated September 4, 2024. As the tax exemption has not been extended, it may have a material adverse effect on our financial condition.

From time to time, we may be involved in legal and other proceedings arising out of our operations.

We may be involved in disputes with various parties involved in the operation of Studio City, including contractual disputes with contractors, consultants, suppliers, retailers, food and beverage operators and construction workers. See "Item 8. Financial Information — A. Consolidated Statements and Other Financial Information — Legal and Administrative Proceedings." Regardless of the outcome, these disputes may lead to legal or other proceedings and may result in substantial costs, delays in our schedules and the diversion of resources and management's attention. In addition, we may be involved in a variety of litigation, regulatory proceedings and investigation arising out of our business, which are inherently unpredictable. Ultimate judgments or settlements for such proceedings could increase our costs and thereby lower our profitability or have a material adverse effect on our liquidity. We cannot assure you that we will be able to obtain the appropriate and sufficient types or levels of insurance for Studio City. We may also have disagreements with

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regulatory bodies in the course of our operations, which may subject us to administrative proceedings and unfavorable decisions that result in penalties, suspension or restrictions on our operations or closure of outlets at Studio City that are currently in operation. In such cases, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

In addition, claims and proceedings against us, including but not limited to any claims alleging that we received, misappropriated or misapplied funds, or violated any anti-corruption law or regulation, may result in our business operations being subject to greater scrutiny from relevant regulatory authorities and requiring us to make further improvements to our existing systems and controls and business operations, all of which may increase our compliance costs. No assurance can be provided that any provisions we have made for such matters will be sufficient. Litigation and regulatory proceedings and investigation are inherently unpredictable and our results of operations or cash flows may be adversely affected by an unfavorable resolution of any pending or future litigation, disputes and regulatory investigation.

Any failure or alleged failure to comply with anti-corruption laws, including the U.S. Foreign Corrupt Practices Act (“FCPA”), could result in penalties, which could harm our reputation and have an adverse effect on our business, results of operations and financial condition.

We are subject to various anti-corruption laws, including the FCPA. The FCPA prohibits companies and any individuals or entities acting on their behalf from offering or making improper payments or providing things of value to foreign officials for the purpose of obtaining or keeping business. The FCPA also requires companies to maintain accurate books and records and to devise and maintain a system of internal accounting controls. There has been a general increase in FCPA enforcement activities in recent years by the SEC and the U.S. Department of Justice. Both the number of FCPA cases and sanctions imposed have risen significantly.

We cannot assure you that our employees, consultants, contractors and agents, and those of our affiliates, will adhere to the anti-corruption compliance program that we and our affiliated companies have adopted, or that any action taken to comply with, or address compliance issues, will be considered adequate by the regulatory bodies with jurisdiction over us and our affiliates. Any violation of our compliance program or applicable law by us or our affiliates could subject us or our affiliates to investigations, prosecutions and other legal proceedings and actions which could result in civil penalties, administrative remedies and criminal sanctions, any of which may result in a material adverse effect on our reputation, cause us to lose customer relationships or lead to other adverse consequences on our business, prospects, results of operations and financial condition. In addition, as a U.S. listed company, certain U.S. laws and regulations apply to our operations and compliance with those laws and regulations increases our cost of doing business.

Fluctuation in the value of the H.K. dollar, U.S. dollar, Pataca or RMB may adversely affect our indebtedness, expenses and profitability.

Although the majority of the revenues from the operation of Studio City are denominated in H.K. dollars, we have certain expenses and revenues denominated in Patacas. In addition, a significant portion of our indebtedness and certain expenses are and are expected to be denominated in U.S. dollars, and the costs associated with repaying such debt and servicing interest payments are and also expected to be denominated in U.S. dollars. The value of the H.K. dollar and Patacas against the U.S. dollar may fluctuate and may be affected by, among other things, changes in political and economic conditions. Although the exchange rate between the H.K. dollar and the U.S. dollar has been pegged since 1983 and the Pataca is pegged to the H.K. dollar, we cannot assure you that the H.K. dollar will remain pegged to the U.S. dollar and that the Pataca will remain pegged to the H.K. dollar. In addition, the currency market for Patacas is relatively small and undeveloped and therefore our ability to convert large amounts of Patacas into U.S. dollars over a relatively short period of time may be limited. As a result, we may experience difficulty in converting Patacas into U.S. dollars, which could hinder our ability to service a portion of our indebtedness and certain expenses denominated in U.S. dollars. On the other hand, to the extent that we are required to convert U.S. dollar financings into H.K. dollars or Patacas for our operations, fluctuations in the exchange rates between H.K. dollars or Patacas against the U.S. dollar could have an adverse effect on the amounts we receive from the conversion.

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Furthermore, the depreciation of RMB against U.S. dollar or H.K. dollar will affect the purchasing power of visitors from mainland China, which in turn may affect the visitation and level of spending at Studio City. To date we have not engaged in hedging transactions with respect to foreign exchange exposure of our revenues and expenses in our day-to-day operations. However, we may occasionally enter into foreign exchange transactions as part of financing transactions and capital expenditure. We will consider our overall policy on hedging for foreign exchange risk from time to time. Any significant fluctuations in the exchange rates mentioned above may have a material adverse effect on our revenues and financial condition.

Furthermore, the PRC government has tightened currency exchange controls and restrictions on the export and conversion of the Renminbi, the currency of mainland China, in recent years. Restrictions on the export of the Renminbi, as well as the increased effectiveness of such restrictions, may impede the flow of patrons from mainland China to Macau and/or from China, inhibit the growth of gaming in those markets and negatively impact our gaming operations.

Economic or trade sanctions and a heightened trend towards trade and technology “de-coupling” could negatively affect the relationships and collaborations with our suppliers, service providers, technology partners and other business partners, which could materially and adversely affect our competitiveness and business operations.

The United Nations and a number of countries and jurisdictions, including China, the United States and the European Union, have adopted various economic or trade sanction regimes. In particular, economic and trade sanctions have been threatened and/or imposed by the U.S. government on a number of China-based technology companies, including ZTE Corporation, Huawei Technologies Co., Ltd., or Huawei, Tencent Holdings Limited, certain of their respective affiliates, and other China-based technology companies. These China technology conglomerates manufacture and/or develop telecommunications and other equipment, software, mobile Apps and devices that are popular and widely used globally, including by us and by our customers, especially those in China. The United States has also in certain circumstances threatened to impose further sanctions, trade embargoes, and other heightened regulatory requirements on China and China-based companies. The U.S. government has brought enforcement actions against ZTE Corporation and Huawei and related persons, as well as companies who engaged in unauthorized transactions with Huawei.

These restrictions, and similar or more expansive restrictions that may be imposed by the U.S. or other jurisdictions in the future, though may not be directly applicable to us, may materially and adversely affect our suppliers, service providers, technology partners or other business partners' abilities to acquire technologies, systems, devices or components that may be critical to our relationships or collaborations with them. For example, in 2025, the U.S. government imposed global tariffs on a wide range of products and goods, and multiple countries have responded with retaliatory tariffs and other trade restrictions. Evolving global trade policies could contribute to increased costs, supply chain disruptions and broader economic uncertainty that may indirectly affect our operations or the operations of our suppliers and business partners. In addition, if any of our suppliers, service providers, technology partners or other business partners that have collaborative relationships with us or our affiliates were to become subject to sanctions or other restrictions, this might restrict or negatively impact our ongoing relationships or collaborations with them, which could materially and adversely affect our competitiveness and business operations. Media reports on alleged uses of the technologies, systems or innovations developed by business partners or other parties not affiliated with or controlled by us, even on matters not involving us, could nevertheless damage our reputation and lead to regulatory investigations, fines and penalties against us.

Climate change, environmental, social and governance and sustainability related concerns could have a negative impact on our business and results of operations.

Various jurisdictions are adopting or considering new laws and regulations that expand mandatory disclosure, reporting and diligence requirements with respect to environmental, social and governance (“ESG”) matters, and expectations of investors, customers, employees and other stakeholders in this area continue to evolve.

There are also risks associated with the chronic and acute physical effects of climate change (including changes in sea levels, water shortages, droughts, typhoons and other extreme weather phenomena and natural disasters). Inability to maintain reliable energy supplies due to climate change disruptions may also impact our business continuity and an increase in frequency of extreme weather events could leave us vulnerable to increased insurance costs or limit our ability to obtain sufficient coverage. See “— Risks Relating to Conducting Business and Operating in Macau — Macau is susceptible to typhoons and heavy rainstorms that may damage our property and disrupt our operations.”

The criteria by which our ESG and sustainability practices are assessed may also change due to the evolution of the sustainability landscape, which could result in greater expectations of us and cause us to undertake costly initiatives to satisfy such new criteria. We have potentially high exposure to net zero transition-related policies and carbon prices that could result in energy inflationary pressures. Implicit carbon costs could also affect us where investments are required to meet building efficiency requirements and emissions regulations that are introduced as part of net zero transition plans. In addition, we have exposure to potential commodity price increase pressures on energy intensive goods and construction materials procured as a result of net zero transition-related regulations. If we are unable to satisfy such new criteria, stakeholders may conclude our policies and/or actions with respect to ESG and sustainability matters are inadequate. In addition, we utilize a significant amount of energy and water and produce a considerable amount of waste in our operations and any failure in our efforts to use materials efficiently or reduce waste may not meet the expectations of our stakeholders. Compliance with future climate-related legislation and regulation, and our efforts to achieve emissions reduction targets, could also be difficult and costly. Consumer travel and consumption preferences may also shift due to sustainability related concerns or costs. Moreover, stakeholders (including those in support of or in opposition to ESG principles) may have a negative view of us to the extent we are perceived to have not responded appropriately to their ESG concerns or take positions that are contrary to their views or expectations. As a result of the foregoing, we may experience significantly increased operating and compliance costs, operating disruptions or limitations, reduced demand, and constraints on our growth, all of which could adversely affect our profits.

Claims or regulatory actions against us under China’s competition laws may result in fines, constraints on our business and damage to our reputation.

In recent years, the PRC government has stepped up enforcement against concentration of undertakings, cartel activities, monopoly agreements, unfair pricing, abusive behaviors by companies with market dominance and other anti-competitive activities. In December 2020, the PRC government announced that strengthening anti-monopoly measures and preventing the disorderly expansion of capital has become one of its focuses, and that it intended to improve digital regulations and legal standards for the identification of platform enterprise monopolies for the gathering, usage and management of data, and for the protection of consumer rights.

For example, the PRC government has enhanced its anti-monopoly and anti-unfair competition laws and regulations, such as the enactment of the Online Trading Measures, which took effect on May 1, 2021, and the amended Anti-monopoly Law, which came into effect on August 1, 2022 and significantly increased the consequences of liability for violations, including for failing to notify the State Administration for Market Regulation prior to implementing transactions if certain thresholds are met.

As of the date of this annual report, China’s statements and regulatory actions related to anti-monopoly concerns have not impacted our business, our ability to accept foreign investments or our ability to issue our securities to foreign investors. However, in the future, we may become subject to these or similar laws and regulations and compliance with such laws and regulations, as well as administrative guidance and requirements by regulators from time to time, may require significant resources and efforts, including changing our operations and pricing practices, restructuring our operations and adjusting our investment activities, which may materially and adversely affect our operations growth prospects, reputation and the trading prices of our ordinary shares and/or ADSs.

Risks Relating to Operating in the Gaming Industry in Macau

The Macau government may terminate the concession under certain circumstances without compensation to the Gaming Operator and may, pursuant to the Gaming Operator's concession, determine that Studio City Casino may not continue to operate under the Studio City Casino Agreement, which would prevent the operation of Studio City Casino.

Under the Gaming Operator's concession, the Macau government has the right to unilaterally terminate the concession in the event of non-compliance by the Gaming Operator with its basic obligations under the concession and applicable Macau laws. If such a termination were to occur, the Gaming Operator would be unable to operate gaming in Macau, including at Studio City Casino. Under the terms of the Concession Contract, termination events include, among others, endangerment to the national security of mainland China or Macau; the operation of gaming without permission or operation of a business which does not fall within the business scope of the concession; abandonment of approved business or suspension of operations of its gaming business in Macau without reasonable grounds; transfer of all or part of the Gaming Operator's operation in Macau in violation of the relevant laws and administrative regulations governing the operation of games of fortune or chance and other casino games in Macau and without Macau government approval; failure to pay taxes, premiums, levies or other amounts payable to the Macau government; systematic non-compliance with the Macau Gaming Operations Law's basic obligations; for reasons of public interest; and for failure to meet probity standards or failure to meet the investment amount and other criteria set in the Concession Contract within the period set by the Macau government. These events could lead to the termination of the Gaming Operator's concession without compensation and the Gaming Operator would be unable to operate gaming in Macau, which may have a material adverse effect on our financial condition, results of operations and cash flows and could result in defaults under our indebtedness agreements and a partial or complete loss of our investments in Studio City. In many of these instances, the Concession Contract does not provide a specific cure period within which any such events may be cured and, instead, the Gaming Operator would rely on consultations and negotiations with the Macau government to remedy any such violation.

Under the terms of the Studio City Casino Agreement to which Studio City Entertainment, one of our subsidiaries, is a party, the Gaming Operator has agreed to operate Studio City Casino. If, upon termination of the Gaming Operator's concession, or under the gaming law, Studio City Entertainment were not able to continue the same arrangements or enter into similar arrangements, Studio City Casino may not be able to continue to operate in the same manner or at all, and the casino and gaming equipment operated by the Gaming Operator under its concession will revert or be transferred to the Macau government without compensation.

Under the Gaming Operator's concession, the Macau government is allowed to request various changes in its investment plans and to make various other decisions and determinations. The Macau Gaming Operations Law also grants the Macau government authority to require for changes and specifications to be made to properties operated by concessionaires, including the Gaming Operator. In addition, the Chief Executive of Macau has the right to require an increase of the Gaming Operator's share capital or that the Gaming Operator provides certain deposits or other guarantees of performance with respect to its obligations in any amount determined by the Macau government to be necessary. The Gaming Operator also needs to first obtain the approval of the Macau governmental authorities before raising certain financing and must notify the Macau government before taking significant financial decisions. The Gaming Operator's ability to incur indebtedness or raise equity may be further restricted by its existing and any future financings. As a result, we cannot assure you that the Gaming Operator will be able to comply with these requirements or any other requirements of the Macau government or with the other requirements and obligations imposed by the concession or the law amending the gaming law or other related regulations.

The Concession Contract also contains various covenants and other obligations as to which the determination of compliance is subjective, and any failure to comply with any such covenant or obligation could result in the termination of the concession. For example, requirements of compliance with general and special duties of cooperation and special duties of information may be subjective, and we cannot assure you that the

Gaming Operator will always be able to operate gaming activities in a manner satisfactory to the Macau government. The Macau Gaming Operations Law also contemplates various covenants and obligations the determination of which is discretionary or subjective. Accordingly, we will be impacted by the Gaming Operator's continuing communications and good faith negotiations with the Macau government to ensure that the Gaming Operator is performing its obligations under the concession and applicable law in a manner that would avoid any violations.

Furthermore, pursuant to the Concession Contract, the Gaming Operator is obligated to comply not only with the terms of that agreement, but also with laws, regulations, rulings and orders that the Macau government might issue or enact in the future. We cannot assure you that it will be able to comply with all such laws, regulations, rulings or orders or that any such laws, regulations, rulings or orders would not adversely affect its ability to operate the Studio City Casino. If any disagreement arises between the Gaming Operator and the Macau government regarding the interpretation of, or its compliance with, a provision of the Concession Contract or then applicable law, we will be relying on its consultation and negotiation process with the Macau government as described above. During any such consultation, however, the Gaming Operator will be obligated to comply with the terms of the Concession Contract or law, as interpreted by the Macau government.

Upon the expiration or termination of the Gaming Operator's concession by the Macau government, the Studio City Casino's gaming area and equipment will revert or be transferred to the Macau government without compensation to the Gaming Operator.

Studio City Casino faces intense competition in the gaming industry of Macau and elsewhere in Asia, and it may not be able to compete successfully.

The gaming industry in Macau and elsewhere in Asia is highly competitive. Our competitors include many of the largest gaming, hospitality, leisure and resort companies in the world. Some of these current and future competitors are larger than us and may have more diversified resources, better brand recognition and greater access to capital to support their developments and operations in Macau and elsewhere. In particular, in recent years, competitors have opened new properties, expanded operations and/or announced their intention for further expansion and developments in Cotai, where Studio City is located. For example, Galaxy Casino, S.A., or Galaxy, progressively opened phase 3 of the Galaxy Macau Resort from the second quarter of 2023, while Phase 4 is currently under development with its construction expected to be completed in 2027. In addition, Sociedade de Jogos de Macau, S.A., or SJM, opened Grand Lisboa Palace in July 2021 and opened two additional hotels in 2023, while Sands Cotai Central in Cotai has been rebranded and redeveloped into The Londoner Macau, which opened in February 2021, and completed renovations of the former Sheraton Grand, rebranding the hotel as the Londoner Grand, which opened in June 2025.

Studio City Casino will also compete to some extent with casinos located in other countries, such as Singapore, the Philippines, Malaysia, South Korea, Vietnam, Cambodia, India, Australia, New Zealand, Japan and elsewhere in the world, including Las Vegas and Atlantic City in the United States, and in the future, proposed developments in Japan and the United Arab Emirates, among others. Certain other markets may in the future legalize casino gaming, including Taiwan. Certain of these gaming markets may not be subject to as stringent regulations as the Macau market. Studio City Casino will also compete with both legal and illegal online gaming and sports-betting websites, cruise ships operating out of Hong Kong and other areas of Asia that offer gaming. The proliferation of gaming venues in Asia could significantly and adversely affect our business, results of operations, financial condition, cash flows and prospects.

Currently, Macau is the only region in China offering legal casino gaming. Although the PRC government has strictly enforced its regulations prohibiting domestic gaming operations in mainland China, there may be casinos in parts of mainland China that are operated illegally and without licenses. In addition, there is no assurance that the PRC government will not in the future permit gaming operations in mainland China.

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Competition from casinos in mainland China, legal or illegal, could materially and adversely affect our business, results of operations, financial condition, cash flows and prospects.

Furthermore, Melco Resorts, as well as the Gaming Operator, may take action to construct and operate new gaming projects or invest in such projects, located in other countries in the Asia region (including new gaming projects in Macau) or outside the Asia region, which, along with their current operations, such as City of Dreams and Altira Macau, may increase the competition Studio City Casino will face. See “— Risks Relating to Our Relationship with Melco Resorts — We may have conflicts of interest with Melco Resorts and, because of Melco Resorts’ controlling ownership interest in our Company, we may not be able to resolve such conflicts on favorable terms for us.”

Gaming is a highly regulated industry in Macau and adverse changes or developments in gaming laws or regulations could be difficult to comply with or significantly increase costs, which could cause Studio City Casino to be unsuccessful.

Gaming is a highly regulated industry in Macau and is subject to the risk of changes in laws and policies. Current laws, such as licensing requirements, tax rates and other regulatory obligations, including those for anti-money laundering, could change or become more stringent resulting in additional regulations being imposed upon gaming operations in Macau as well as increased audits and inspections by regulators, including the Studio City Casino. Any such adverse developments in the regulation of the gaming industry could be difficult to comply with and could significantly increase costs, which could cause Studio City Casino to be unsuccessful and adversely affect our financial performance.

While the Gaming Operator does not currently have gaming promoters arrangements at the Studio City Casino following their cessation in December 2021, if the Gaming Operator decides to enter into new arrangements with gaming promoters in the future, such arrangements and related activities will be subject to the requirements under the applicable laws and regulations. In September 2009 and 2022, the Macau government set and confirmed a cap on commission payments to gaming promoters of 1.25% of net rolling. In 2022, amendments to the Macau Gaming Operations Law and the New Gaming Activities Law set additional requirements applicable to the Studio City Casino. Any failure to comply with these regulations, as they may be applicable, may result in the imposition of liabilities, fines and other penalties and may materially and adversely affect the Gaming Operator’s concession or the operation of the Studio City Casino. See “Item 4. Information on the Company — B. Business Overview — Regulations — Gaming Activities Regulations.”

In addition, the Macau government imposed regulations and restrictions that affect the minimum age required for entrance into casinos in Macau, entry into casinos by off-duty gaming-related employees, data privacy and other matters. Any such legislation, regulation or restriction which is being or may in the future be imposed by the Macau government may have a material adverse impact on our operations, business and financial performance. Furthermore, our inability to address any of these requirements or restrictions imposed by the Macau government could adversely affect our reputation and result in criminal or administrative penalties, in addition to any civil liability and other expenses. See “Item 4. Information on the Company — B. Business Overview — Regulations — Gaming Operation Regulations.”

Also, smoking on the premises of casinos is only permitted in authorized segregated smoking lounges with no gaming activities, and such segregated smoking lounges are required to meet certain standards determined by the Macau government. Studio City Casino currently has a number of segregated smoking lounges. We cannot assure you that the Macau government will not enact more stringent smoking control legislation. Such limitations imposed on smoking have and may deter potential gaming patrons who are smokers from visiting casinos in Macau, which could adversely affect our business, results of operations and financial condition. See “Item 4. Information on the Company — B. Business Overview — Regulations — Smoking Regulations.”

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Under the Macau Gaming Operations Law, the Macau government has set a cap on gaming tables and gaming machines that may be operated in Macau at 6,000 gaming tables and 12,000 gaming machines. In addition, gaming tables and gaming machines previously allocated to a concessionaire may also be revoked if the minimum average annual gross gaming revenue of MOP7 million (equivalent to approximately US\$873,404) for gaming tables and MOP300,000 (equivalent to approximately US\$37,432) for gaming machines are not met for two consecutive years or the tables or gaming machines are not fully utilized without reason within a certain period.

Current Macau laws and regulations concerning gaming and gaming concessions and matters such as prevention of money laundering are fairly recent or there is little precedent on the interpretation of these laws and regulations. While we expect that the Gaming Operator will operate Studio City Casino in compliance in all material respects with all applicable laws and regulations of Macau, these laws and regulations are complex and a court or an administrative or regulatory body may in the future render an interpretation of these laws and regulations or issue new or modified regulations that differ from our or the Gaming Operator's interpretation, which could have a material adverse effect on the operation of Studio City Casino and on our financial condition, results of operations, cash flows and prospects.

Our activities in Macau are subject to administrative review and approval by various departments of the Macau government. For example, our business activities and Studio City Casino are subject to the administrative review and approval by the DICJ, Health Bureau, Labor Bureau, Construction Works Bureau, Fire Department, Finance Department and Government Tourism Office. We cannot assure you that we or the Gaming Operator will be able to obtain or maintain all necessary approvals, which may materially affect our business, financial condition, results of operations, cash flows and prospects. Macau law permits redress to the courts with respect to administrative actions. However, such redress is largely untested in relation to gaming regulatory issues.

Studio City Casino is subject to operational risks commonly faced by other gaming facilities in Macau.

Studio City Casino faces operational risks commonly experienced in the gaming industry in Macau. Such risks include, but are not limited to, the following:

- *Inability to Collect Gaming Receivables from Credit Customers.* The Gaming Operator may grant gaming credit directly to certain customers at Studio City Casino, which will often be unsecured. The Gaming Operator may not be able to collect all of its gaming receivables from, or fully realize the value of collateral posted by, its credit customers at Studio City Casino, and we expect that the Gaming Operator will be able to enforce its gaming receivables only in a limited number of jurisdictions, including Macau and under certain circumstances, Hong Kong, the U.S., Australia and Canada. The Gaming Operator's inability to collect gaming receivables from credit customers may in turn affect our financial performance.
- *Limited Availability of Credit to Gaming Patrons.* The Gaming Operator may conduct its table gaming activities at Studio City Casino partially on a credit basis and may extend credit to certain of its patrons. Any general economic downturn and turmoil in the financial markets may result in broad limitations on the availability of credit from credit sources as well as lengthening the recovery cycle of extended credit. In particular, due to credit conditions in mainland China and the tightening of cross-border fund transfers by the PRC government to control capital outflows in recent years, the number of visitors to Macau from mainland China, as well as the amounts they are willing to spend in casinos, may decrease, which could have a material adverse effect on our business, financial condition and results of operations.
- *Inability to Control Win Rates.* The gaming industry is characterized by an element of chance. In addition to the element of chance, theoretical expected win rates will also be affected by the spread of table limits and factors that are beyond the operator's control, such as a player's skill and experience,

the mix of games played, the financial resources of players, the volume and mix of bets played, the amount of time players spend on gambling and the number of players. As a result of the variability in these factors, the actual win rates at Studio City Casino may differ from the theoretical win rates anticipated and could result in less winnings than anticipated.

- *Risk of Fraud or Cheating of Gaming Patrons and Staff.* Gaming customers may attempt or commit fraud or cheat in order to increase their winnings, including in collusion with the casino's staff. Internal acts of cheating could also be conducted by staff through collusion with dealers, surveillance staff, floor managers or other gaming area staff. Failure to discover such acts or schemes in a timely manner could result in losses in Studio City Casino operations and negative publicity for Studio City. In addition, gaming promoters, if any, or other persons could, without the knowledge of the Gaming Operator, enter into betting arrangements directly with patrons on the outcomes of games of chance, thus depriving Studio City Casino of revenues.
- *Risk of Counterfeiting.* All gaming activities at Studio City Casino's table games are conducted exclusively with gaming chips which are subject to the risk of alteration and counterfeiting. The Gaming Operator has incorporated a variety of security and anti-counterfeit features to detect altered or counterfeit gaming chips. Despite such security features, unauthorized parties may try to copy gaming chips and introduce, use and cash in altered or counterfeit gaming chips in Studio City's gaming areas. Any negative publicity arising from such incidents could result in losses in Studio City Casino operations and negative publicity for Studio City.
- *Risk of Malfunction of Gaming Machines.* There is no assurance that the slot machines at Studio City will be functioning properly at all times. If any one or more gaming machines malfunction due to technical or other reasons, the win rates associated with the gaming machines may be affected in a way that adversely impact the revenue of Studio City Casino. In addition, Studio City Casino's reputation may be materially and adversely affected as a result of any incidents of malfunction.

Any of these risks has the potential to materially and adversely affect Studio City Casino and our business, financial condition, results of operations, cash flows and prospects.

The Macau government could grant additional rights to conduct gaming in the future, which could significantly increase competition in Macau and cause Studio City Casino to lose or be unable to gain or maintain market share.

Pursuant to the terms of the Macau Gaming Operations Law, the maximum number of gaming concessions is six. Concessionaires are prohibited from entering into a subconcession agreement. Notwithstanding, the policies and laws of the Macau government may change and could result in the grant of additional concessions or subconcessions, which could significantly increase competition in Macau and also cause Studio City Casino to lose or be unable to maintain or gain market share and, as a result, adversely affect our business.

We cannot assure you that anti-money laundering policies that have been implemented at Studio City Casino and its compliance with applicable anti-money laundering laws will be effective to prevent Studio City Casino from being exploited for money laundering purposes.

Macau's free port, offshore financial services and free movement of capital create an environment whereby Macau's casinos could be exploited for money laundering purposes. Melco Resorts' and the Gaming Operator's anti-money laundering policies, which we believe to be in compliance with all applicable anti-money laundering laws and regulations in Macau, are applied to the operation of Studio City Casino. However, we cannot assure you that the Gaming Operator, our contractors, agents or the staff performing services at Studio City Casino will continually adhere to such policies or any such policies will be effective in preventing Studio City Casino operations from being exploited for money laundering purposes, including from jurisdictions outside

of Macau. We cannot assure you that the anti-money laundering measures we have adopted and undertaken or will adopt and undertake in the future will be effective or that we will not be subject to any accusation or investigation related to any possible money laundering activities.

The Gaming Operator also deals with significant amounts of cash in Studio City Casino's operations and is subject to various reporting and anti-money laundering regulations as well as audits and inspections by regulators. Any incidents of money laundering, accusations of money laundering or regulatory investigations into possible money laundering activities involving Studio City Casino, its staff, gaming promoters, if any, or customers or others with whom it is associated could have a material adverse impact on our reputation, business, cash flow, financial condition, prospects and results of operations. Any serious incident of, or repeated violation of, laws related to money laundering or any regulatory investigation into money laundering activities may cause a revocation or suspension of the concession held by the Gaming Operator. For more information regarding anti-money laundering regulations in Macau, see "Item 4. Information on the Company — B. Business Overview — Regulations — Anti-Money Laundering and Terrorism Financing Regulations."

Risks Relating to Our Relationship with Melco Resorts

We are heavily dependent on our shareholder, Melco Resorts, and expect to continue to be dependent on Melco Resorts.

Melco Resorts is a developer, owner and operator of integrated resort facilities in Asia and Europe, and our business has benefited significantly from Melco Resorts' strong market position in Macau and its expertise in both gaming and non-gaming businesses. We cannot assure you we will continue to receive the same level of support from Melco Resorts in the future.

Melco Resorts has provided us with substantially all of our financial, administrative, sales and marketing, human resources and legal services and has also provided us with the services of a number of its staff pursuant to the Management and Shared Services Arrangements. Other than our property general manager, all of the Studio City dedicated staff are employed by the Master Service Providers under such arrangements. See "Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Management and Shared Services Arrangements." We expect Melco Resorts to continue to provide us with such support services in the future. However, there is no assurance that employees of Master Service Providers, who also support our financial, management, administration and other corporate functions, will be able to carry out their responsibilities in the best interests of Studio City or provide sufficient support for us to operate as an independent public company in compliance with the relevant financial reporting, internal control and other legal and regulatory requirements. In addition, to the extent Melco Resorts does not continue to provide us with such support, we may need to create our own support systems and may encounter operational, administrative and strategic difficulties. Having to create our own support systems due to lack of support from Melco Resorts may cause us to react more slowly than our competitors to industry changes and may divert our management's attention from running our business, increase our operating costs or otherwise harm our operations.

Our business has benefited significantly from our relationship with Melco Resorts. Any negative development in Melco Resorts' market position or brand recognition may materially and adversely affect our marketing efforts and the strength of our brand.

We are a subsidiary of Melco Resorts and have benefited significantly from our relationship with Melco Resorts in marketing our brand. For example, we have benefited by providing services to Melco Resorts' long-term customers. We also benefit from Melco Resorts' strong brand recognition in Macau, which has provided us credibility and a broad marketing reach. If Melco Resorts loses its market position, the effectiveness of our marketing efforts through our association with Melco Resorts may be materially and adversely affected. In addition, any negative publicity associated with Melco Resorts including, but not limited to, as a result of any unfavorable publicity regarding and/or legal or other proceedings against parties it works with from time to time, including auditors, consultants and financial, legal or other advisors, will likely have an adverse impact on the effectiveness of our marketing as well as our reputation and our brand.

We may have conflicts of interest with Melco Resorts and, because of Melco Resorts' controlling ownership interest in our Company, we may not be able to resolve such conflicts on favorable terms for us.

Conflicts of interest may arise between Melco Resorts and us in a number of areas relating to our past and ongoing relationships. Potential conflicts of interest include:

- *Other Integrated Resorts in Macau.* Melco Resorts owns other integrated resorts in Macau and the Gaming Operator, as a subsidiary of Melco Resorts, operates casinos and gaming areas at such resorts owned by Melco Resorts. The ownership and operation of City of Dreams and Altira Macau by Melco Resorts and the Gaming Operator may divert their attention and resources. Any strategic decisions made by Melco Resorts to focus on their other projects in Macau rather than us, could materially and adversely affect our financial condition and results of operations.
- *Allocation of Business Opportunities.* Melco Resorts, as well as the Gaming Operator, may take action to construct and operate new gaming projects or invest in such projects located in the Asian region (including new gaming projects in Macau) or elsewhere, which, along with their current operations, including City of Dreams and Altira Macau, may divert their attention and resources. For example, in 2015, Melco Resorts opened City of Dreams Manila, a casino, hotel, retail and entertainment resort in Manila, the Philippines. In 2019, Melco Resorts acquired from Melco International a 75% equity interest in the City of Dreams Mediterranean project, which was launched in 2023, as well as the satellite casinos operating in conjunction with the City of Dreams Mediterranean in Cyprus. In 2025, Melco Resorts commenced casino operations at City of Dreams Sri Lanka, an integrated resort in Colombo, Sri Lanka. We could face competition from these other gaming projects. Due to the Management and Shared Services Arrangements we have with Melco Resorts, should Melco Resorts decide to focus more attention on gaming projects located in other areas, including in jurisdictions that may be expanding or commencing their gaming industries, or should economic conditions or other factors result in a significant decrease in gaming revenues and number of patrons in Macau, Melco Resorts may make strategic decisions to focus on their other projects rather than us, which could adversely affect our development and operation of Studio City and future growth.
- *Related Party Transactions.* We have entered into a number of related party transactions, including the Management and Shared Services Arrangements, that we believe allow us to leverage off the experience and scale of Melco Resorts. While these arrangements were entered into at pre-agreed rates that we believe are commercially reasonable, the determination of such commercial terms were subject to judgment and estimates and we may have obtained different terms for similar types of services had we entered into such arrangements with independent third parties or had we not been a subsidiary of Melco Resorts.
- *Our Board Members and Executive Officers May Have Conflicts of Interest.* Certain of our directors are also the directors and/or executive officers of Melco Resorts, our property general manager serves on Melco Resorts' executive committee and our chief financial officer is an executive officer of Melco Resorts. In addition, our senior management team (including staff of Melco Resorts designated to Studio City under the Management and Shared Services Arrangements) also has reporting obligations to Melco Resorts. Certain of our directors have also been appointed by New Cotai. These relationships could create, or appear to create, conflicts of interest when these persons are faced with decisions with potentially different implications for Melco Resorts or New Cotai, as the case may be, and us. See “— Risks Relating to Our Business — We rely on services provided by subsidiaries of Melco Resorts, including hiring and training of personnel for Studio City” and “— Risks Relating to Our Relationship with Melco Resorts — Certain of our directors and executive officers hold a substantial amount of share options, restricted shares and ordinary shares of Melco Resorts, which could create an appearance of potential conflicts of interests.” While we have appointed independent directors to our board of directors, and our audit and risk committee consists solely of independent directors, due to the nature of their role as independent directors, such directors may not have access to the same information, resources and support as directors who are also directors and/or executive officers of Melco Resorts, which may hinder their ability to eliminate all conflicts of interest presented by our relationships with Melco Resorts.

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- *Developing Business Relationships with Melco Resorts' Competitors.* So long as Melco Resorts remains our controlling shareholder, we may be limited in our ability to do business with its competitors, such as other gaming operators in Macau. This may limit our ability to market our services for the best interests of our Company and our other shareholders.

We expect to operate, for as long as Melco Resorts is our controlling shareholder, as a subsidiary of Melco Resorts. Melco Resorts may from time to time make strategic decisions that it believes are in the best interests of its business as a whole, including our Company. These decisions may be different from the decisions that we would have made on our own. Melco Resorts' decisions with respect to us or our business may be resolved in ways that favor Melco Resorts and therefore Melco Resorts' own shareholders, which may not coincide with the interests of our other shareholders. We may not be able to resolve any potential conflicts, and even if we do so, the resolution may be less favorable to us than if we were dealing with a non-controlling shareholder. Even if both parties seek to transact business on terms intended to approximate those that could have been achieved among unaffiliated parties, this may not succeed in practice.

Certain of our directors and executive officers hold a substantial amount of share options, restricted shares and ordinary shares of Melco Resorts, which could create an appearance of potential conflicts of interests.

Certain of our directors and executive officers hold a substantial amount of share options, restricted shares and ordinary shares of Melco Resorts, and the value of such share options and restricted shares are related to the value of the ordinary shares of Melco Resorts. In addition, our directors and executive officers are eligible to participate in the share incentive plan of Melco Resorts. See "Item 6. Directors, Senior Management and Employees — B. Compensation of Directors and Executive Officers — Share Incentive Plan." The direct and indirect interests of our directors and executive officers in the ordinary shares of Melco Resorts and the presence of certain directors and executive officers of Melco Resorts on our board of directors or senior executive team could create, or appear to create, conflicts of interest with respect to matters involving both Melco Resorts and us that could have different implications for Melco Resorts and us. For example, potential conflicts of interest could arise in connection with the resolution of any dispute between Melco Resorts and us, or the affiliates of Melco Resorts and us, regarding the terms of the arrangements we have with Melco Resorts or its affiliates. These arrangements include the Studio City Casino Agreement, the Management and Shared Services Arrangements and any commercial agreements between Melco Resorts and us, or the affiliates of Melco Resorts and us. Potential conflicts of interest may also arise out of any commercial arrangements that Melco Resorts and us may enter into in the future. Similar potential conflicts may also arise related to the pursuit of certain opportunities, including growth opportunities in Macau or elsewhere.

Changes in Melco Resorts' share ownership, including a change of control of its subsidiaries' shares, could result in our inability to draw loans or cause events of default under our indebtedness, or could require us to prepay or make offers to repurchase certain indebtedness.

Credit facility agreements relating to certain of our indebtedness contain change of control provisions, including in respect of Melco Resorts' obligations relating to the control and/or ownership of certain of its and our subsidiaries including their and our assets. Under the terms of such credit facility agreements, the occurrence of certain change of control events, including a decline below certain thresholds in the aggregate direct or indirect shareholdings in certain of Melco Resorts' subsidiaries, including Studio City Holdings Five Limited, Studio City Finance and Studio City Investments, may result in an event of default and/or a cancellation of committed amounts as well as a requirement to prepay the credit facilities in relation to such indebtedness in full.

The terms of the agreement of certain indebtedness also contain change of control provisions whereby the occurrence of a relevant change of control event will require us to offer to repurchase the securities at a price equal to 101% of their principal amount, plus accrued and unpaid interest and, if any, additional amounts and other amounts specified under such indebtedness to the date of repurchase.

Any occurrence of these events could be outside our control and could result in events of default and cross-defaults which may cause the termination and acceleration of our credit facilities and other indebtedness and potential enforcement of remedies by our lenders or note holders (as the case may be), which would have a material adverse effect on our financial condition and results of operations.

Risks Relating to Conducting Business and Operating in Macau

Our business, financial condition and results of operations may be materially and adversely affected by any economic slowdown in China and nearby Asia regions as well as globally.

All of our operations are in Macau. Accordingly, our results of operations and financial condition may be materially adversely affected by significant political, social and economic developments in China. A slowdown in economic growth in China could adversely impact the number of visitors from China to Studio City as well as the amount they are willing to spend in our hotel towers, restaurants and other facilities and Studio City Casino, which could have a material adverse effect on our results of the operations and financial condition. Various factors have negatively impacted economic growth in China in recent years, including the government's efforts to cool China's housing market and disruptions caused by COVID-19, leading to reduced consumer discretionary budget and ultimately affecting their spending on travel and leisure. Moreover, China's common prosperity drive, which was launched in 2021 and remains a long-term policy objective, aims to narrow the nation's wealth gap by reducing wealth inequality. Any changes in the income tax rate or government policy which discourages consumption may affect the spending patterns of our patrons. All of these measures as well as a number of measures taken by the PRC government in recent years to control the rate of economic growth, including those designed to tighten credit and liquidity, may have contributed to the slowdown of China's economy in recent years. According to preliminary estimates from the National Bureau of Statistics of China, mainland China's GDP growth rate was 5.0% in 2025, which was in line with the 5.0% growth in 2024. China also set the GDP growth target at 4.5%-5.0% for 2026. Any slowdown in China's future growth may have an adverse impact on financial markets, currency exchange rates and other economies, as well as the spending of visitors in Macau and Studio City. There is no guarantee that economic downturns, whether actual or perceived, any further decrease in economic growth rates or an otherwise uncertain economic outlook in China will not occur or persist in the future, that they will not be protracted or that governments will respond adequately to control and reverse such conditions, any of which could materially and adversely affect our business, financial condition and results of operations.

In addition, the global macroeconomic environment continues to face significant challenges, such as the continuation of international trade conflicts, including the trade disputes between the United States and China and the imposition of trade tariffs and related retaliatory measures between these two countries and globally.

Heightened tensions remain between the United States and China in connection with ongoing trade disputes as well as other political factors and may escalate. Such tensions, or any escalation in tensions between the United States and China, or globally, could reduce levels of trade, investment, technological exchanges and other economic activities between these two major economies, which would have a material adverse effect on global economic conditions and the stability of global financial markets.

Elevated inflation rates in places where we operate and globally may weaken discretionary spending of our customers and increase our operating costs such as through increases in salary payments for our staff or key expenditures in our business. In September 2024, the U.S. Federal Reserve lowered the benchmark federal-funds rate for the first time in four years to 5.00% and has continued to lower interest rates in 2025 to the current rate of 3.75%. The direction that the U.S. Federal Reserve will take with regards to its monetary policy is uncertain. Interest rate hikes from one or more central banks across the world to address inflation or other macroeconomic factors would increase the cost of credit throughout global economies, impacting cashflows for both businesses and consumers as they spend more on interest payments which, in turn, reduces the amount available for capital investments and for discretionary consumption. Any developments that adversely impact global liquidity, heighten market volatility and increase U.S. dollar funding costs resulting in tightened global financial conditions

and a prolonged period of volatile and unstable market conditions would likely increase our funding costs and negatively affect our market risk mitigation strategies.

Since 2022, continued stress in China's property sector and a weaker, uneven post-pandemic economic recovery have weighed on risk sentiment toward China-linked U.S. dollar high-yield credit more broadly. This has at times contributed to wider spreads and weaker secondary-market performance for high-yield bonds of issuers in other sectors connected with China, including those issued by Macau gaming operators and associated entities. Other factors affecting discretionary consumer spending, including the level of disposable consumer income, fears of recession, lack of consumer confidence in the economy, change in consumer preferences, high energy, fuel and other commodity costs and increased cost of travel may negatively impact our business. An extended period of reduced discretionary spending and/or disruptions or declines in travel have had and could materially adversely affect our business, results of operations and financial condition.

Considerable uncertainty remains over the long-term effects of the expansionary monetary and fiscal policies adopted by the central banks and financial authorities of some of the world's leading economies, including the United States and China. There have been concerns over conflicts, unrest and terrorist threats in the Ukraine, Middle East, Europe and Africa, including, but not limited to, between the United States, Israel and Iran, and the continuing military conflict between Russia and Ukraine leading to sanctions and export controls being imposed by the United States, the European Union, the United Kingdom and other countries targeting Russia, its financial system and major financial institutions and certain Russian entities and persons. Such sanctions and measures and conflicts have had and may continue to have a negative impact on our business and our ability to accept certain customers. These conflicts have also caused volatility in global financial markets as well as a rise in prices of oil, gas and other commodities. In addition, concerns over potential conflicts involving the Korean peninsula persist. Any severe or prolonged slowdown in the global economy or increase in international trade or political conflicts may materially and adversely affect our business, results of operations and financial condition. In addition, continued turbulence in the international markets may adversely affect our ability to access capital markets to meet liquidity needs.

Studio City Casino's operations could be adversely affected by foreign exchange restrictions on the Renminbi.

Gaming operators in Macau are currently prohibited from accepting wagers in Renminbi, the currency of China. There are currently restrictions on the export of the Renminbi outside of mainland China, including to Macau. For example, a mainland China citizen traveling abroad is only allowed to take a total of RMB20,000 (equivalent to approximately US\$2,858) plus non-RMB currency with an amount equivalent of up to US\$5,000 out of mainland China. Moreover, an annual limit of RMB100,000 (equivalent to approximately US\$14,291) is the aggregate amount that can be withdrawn overseas from mainland China bank accounts was set by the PRC government. In addition, the PRC government's ongoing anti-corruption campaign has led to tighter monetary transfer regulations, including real-time monitoring of certain financial channels, reducing the amount that mainland China-issued ATM cardholders can withdraw in each withdrawal, imposing a limit on the annual aggregate amount that may be withdrawn and the launch of facial recognition and identity card checks with respect to certain ATM users, which could disrupt the amount of money visitors can bring from mainland China to Macau. Furthermore, the Macau government performs identity card checks with respect to certain ATM users and recommended banks perform adequate due diligence and monitoring of merchants with respect to usage of point-of-sales machines, such as cash registers where a customer is charged for goods or services purchased. These measures may limit liquidity availability and curb capital outflows. In addition, all individuals entering Macau with an amount in cash or negotiable instrument to the bearer equal to or higher than the amount of MOP120,000 (equivalent to approximately US\$14,973) as determined by the Chief Executive of Macau are required to declare such amount to the customs authorities. For further details, please refer to "Item 4. Information on the Company — B. Business Overview — Regulations — Control of Cross-border Transportation of Cash Regulations." The adoption of digital currency by the PRC government may also cause more restrictions on the export of the Renminbi out of mainland China, which may impede the flow of customers from mainland China to Macau, inhibit the growth of gaming in Macau and negatively impact the operation of Studio City Casino.

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Policies, campaigns and measures adopted by the PRC and/or Macau governments from time to time could materially and adversely affect our operations.

Our operating results may be adversely affected by:

- tightening of travel restrictions to, from or within China, including due to the outbreak of infectious diseases, such as COVID-19 outbreaks;
- austerity measures which may be imposed by the PRC government;
- changes in government policies, laws and regulations, or in the interpretation or enforcement of these policies, laws and regulations;
- changes in cross-border fund transfer and/or foreign exchange regulations or policies effected by the PRC and/or Macau governments;
- measures taken by the PRC government to deter marketing of gaming activities to mainland China residents by offshore casinos;
- measures that may be introduced to control inflation, such as interest rate increases or bank account withdrawal controls; and
- changes in the rate or method of taxation by the Macau government.

A significant number of the customers of Studio City Casino come from, and are expected to continue to come from, China. Any travel restrictions imposed by China, such as the travel restrictions imposed due to COVID-19 outbreaks, could negatively affect the number of patrons visiting Studio City from China. Under the Individual Visit Scheme, or IVS, mainland China citizens from certain cities have been able to travel to Macau individually instead of as part of a tour group. China also banned “zero fare tours,” popular among visitors to Macau from mainland China, whereby travelers avail the services of tour guides at minimal or no cost if they agree to shop in designated areas in exchange. While the PRC government has restricted and then loosened IVS travel frequently, it has indicated its intention to maintain tourism development by opening the IVS to more China cities to visit Macau. For example, the IVS was further expanded to Qingdao and Xi’an beginning in March 2024. It is unclear whether these and other measures will continue to be in effect or become more restrictive in the future. A decrease in the number of visitors from China could adversely affect Studio City’s results of operations.

In addition, certain policies and campaigns implemented by the PRC government may lead to a decline in the number of patrons visiting Studio City and the amount of spending by such patrons. The strength and profitability of our business depend on consumer demand for integrated resorts in general and for the type of luxury amenities that a gaming operator offers. Initiatives and campaigns undertaken by the PRC government in recent years have resulted in an overall dampening effect on the behavior of China consumers and a decrease in their spending, particularly in luxury good sales and other discretionary spending. For example, the PRC government’s ongoing anti-corruption campaign has had an overall dampening effect on the behavior of China consumers and their spending patterns both domestically and abroad. In addition, the number of patrons visiting Studio City may be affected by the PRC government’s focus on deterring marketing of gaming to China citizens and its initiatives to tighten monetary transfer regulations, increase monitoring of various transactions, including bank or credit card transactions, reduce the amount that mainland China-issued ATM cardholders can withdraw in each withdrawal and impose a limit on the annual aggregate amount that may be withdrawn. For example, certain staff of a foreign casino were convicted in China in connection with gaming-related promotional activities in mainland China which created regulatory uncertainty on marketing activities in mainland China. Amendments to PRC’s criminal laws, which provide that anyone that organizes trips for mainland China citizens for the purpose of gambling outside of mainland China, including Macau, may be deemed to have conducted a criminal act, came into effect on March 1, 2021. In late 2021 and early 2022, the Macau authorities arrested executives from gaming promoters for alleged illegal overseas gaming related activities. In 2023, certain of these individuals were sentenced to jail terms in addition to the payment of monetary compensation to the Macau government. The

PRC government has also developed its digital currency and has performed certain test trials in its application within China. If a digital currency is adopted by the Macau government for gaming operations in Macau, there could be a material and adverse impact on Studio City Casino's operations if limitations on transactions per player are also introduced in conjunction with the adoption of the digital currency. A wide interpretation, application or enforcement of these laws and regulations by the PRC governmental authorities could have a material and adverse effect on our business and prospects, financial condition and results of operations.

Our operations in Macau are also exposed to the risk of changes in laws and policies that govern operations of Macau-based companies. Tax laws and regulations may also be subject to amendments or different interpretations and implementation, thereby adversely affecting our profitability after tax. As Studio City Entertainment is expected to fund such premium for the operation of Studio City Casino, increased premium could have a material adverse effect on the results of our operations and financial condition. Significantly increased regulatory scrutiny of gaming promoters in Macau has resulted, and may continue to result, in the cessation of business of many gaming promoters. In December 2021, the Gaming Operator terminated the arrangements with gaming promoters at Studio City Casino. Notwithstanding, the Gaming Operator may enter into arrangements with gaming promoters at Studio City Casino in the future.

Changes in laws, regulations and policies in China and uncertainties in the legal systems in China may expose us to risks. In addition, rules and regulations in China can change quickly with little advance notice.

We are based in and have all of our operations and administrative and corporate functions in Macau, Hong Kong and Singapore. As a significant number of our customers come from, and are expected to continue to come from, China, our results of operations and financial condition may be materially and adversely affected by significant regulatory developments not only in Macau but also in the rest of China. Gaming related activities in China, including marketing activities, are strictly regulated by the PRC government and subject to various laws and regulations. The PRC legal system continues to evolve and the interpretations of laws, regulations and rules are not always uniform. Rules and regulations in China can change quickly with little advance notice. In addition, the PRC legal system is based in part on government policies and internal rules, some of which are not published on a timely basis or at all. As a result, we may not be aware of all policies and rules imposed by the PRC authorities which may affect or relate to our business and operations. There is also no assurance that our interpretation of the laws and regulations that affect our activities in China is or will be consistent with the interpretation and application by the PRC governmental authorities. These uncertainties may impede our ability to assess our legal rights or risks relating to our business and activities. Any changes in the laws and regulations, or in the interpretation or enforcement of these laws and regulations, which affect gaming-related activities in China could require additional expenditures and efforts on our part to ensure our compliance with such regulations or interpretations and have a material and adverse effect on our business and prospects, financial condition and results of operations. We may incur penalties for any failure to comply with PRC laws and regulations.

In addition, PRC administrative and court authorities have discretion in interpreting and implementing statutory terms. Such discretion of the PRC administrative and court authorities increases the uncertainties in the PRC legal system and makes it difficult to evaluate the likely outcome of any administrative and court proceedings in China and the level of legal protection we enjoy than in other legal systems. Any litigation or proceedings in China may be protracted and result in substantial costs and diversion of our resources and management attention. Any such litigation or proceedings could have a material adverse effect on our business, reputation, financial condition and results of operations.

The PRC government may influence our operations or impact our offerings conducted overseas or foreign investments in us. Its oversight and discretion over our business could result in material changes in our operations and the value of our ordinary shares and ADSs.

The PRC government has exercised and continues to exercise substantial control over virtually every sector of the China economy through evolving development, interpretation and implementation of applicable

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laws and regulations. The PRC government may also enact new laws, rules or regulations, which may influence our operations, at any time as the PRC government deems appropriate to further regulatory, political and societal goals, or may exert more control over offerings conducted overseas and/or foreign investment in China-based issuers, which could result in a material change in our operations and/or the value of our ordinary shares. Additionally, the PRC government has in the past made statements indicating an intent to exert more oversight and control over offerings by China-based issuers that are conducted overseas and/or foreign investment in China-based issuers and any such action could significantly impact our ability to offer or continue to offer securities to investors and cause the value of our securities to significantly decline or be worthless. See also “— Risks Relating to Our Business — Failure to protect the integrity and security of company staff, supplier and customer information and comply with cybersecurity, data privacy, data protection or any other laws and regulations related to data may materially and adversely affect our business, financial condition and results of operations, and/or result in damage to reputation and/or subject us to fines, penalties, lawsuits, restrictions on our use or transfer of data and other risks” for discussions relating to the China Data Security Law.

For example, on February 17, 2023, the CSRC released a set of rules, including the Trial Administrative Measures of Overseas Securities Offerings and Listings by Domestic Companies, or the Trial Administrative New Measures, and related guidelines, which came into effect on March 31, 2023, and the Notice on the Arrangements for the Recordation Management of Overseas Issuances and Listings of Domestic Enterprises, or the Notice, on Overseas Issuance and Listing.

Under the first paragraph of Article 15 of the Trial Administrative New Measures, overseas offerings and listings of a listing applicant by a mainland China company must conduct and complete the relevant filing procedures with the CSRC if (i) more than 50% of its operating revenue, total profit, total assets or net assets were derived from its mainland China entities based on the audited consolidated financial statements for the most recent financial year, and (ii) the main parts of its business activities are conducted in the mainland China, its principal places of business are located in mainland China, or the majority of senior management in charge of its business operations are mainland China citizens or domiciled in mainland China. Furthermore, the second paragraph of Article 15 of the Trial Administrative New Measures provides that a “substance over form” principle, or the Principle, shall be followed when determining whether an issuer is subject to the filing requirements under the Trial Administrative New Measures. In addition, according to the Notice on Overseas Issuance and Listing, companies which have completed overseas listings or offerings prior to March 31, 2023 are not required to complete any filing procedures immediately, but may be required to file with the CSRC for any follow-on offerings.

We do not believe that our previous or future offshore offerings are or will be subject to the filing procedures under the Trial Administrative New Measures and related guidelines as (i) we do not and do not expect to have any subsidiaries in mainland China, and none of our operating revenue, total profit, total assets or net assets as recorded in our audited consolidated financial statements for the most recent financial year is being accounted for by any mainland China domestic subsidiaries; (ii) the main parts of the Company’s business activities are not and are not expected to be conducted in mainland China; (iii) the Company’s principal places of business are not and are not expected to be located in mainland China; (iv) the senior management in charge of the Company’s business operation are not mainland China citizens and the management does not and is not expected to be domiciled in mainland China; and (v) the risk factors disclosed in the offering document of any future offshore offerings are not expected to be predominately related to mainland China as compared to other countries and regions. However, uncertainties exist as to how the Trial Administrative New Measures and the related guidelines will be interpreted and implemented. Particularly, the Principle is subject to any new laws, rules and regulations or interpretations and implementations in any form relating to the filing requirements under the Trial Administrative New Measures at the discretion of the PRC government authorities.

If (i) (a) we incorrectly conclude that certain regulatory permissions and approvals are not required or (b) applicable laws, regulations, or interpretations change in a way that requires us to complete such filings or obtain such approvals in the future, and (ii) we are required to obtain such permissions or approvals in the future,

but fail to receive or maintain such permissions or approvals, we may face sanctions by the CSRC, the CAC or other PRC regulatory agencies. These regulatory agencies may impose fines and penalties on us, limit our operations, limit our ability to list on stock exchanges outside of China or offer our securities to foreign investors or take other actions that could have a material adverse effect on our business, financial condition, results of operations and prospects, as well as the trading price of our securities.

Terrorism, violent criminal acts, the uncertainty of war, widespread health epidemics or pandemics, political developments and other factors affecting discretionary consumer spending and leisure travel may reduce visitation to Macau and harm our operating results.

The strength and profitability of our business depend on consumer demand for integrated resorts and leisure travel in general. Terrorist and violent criminal activities in Europe, the United States, Southeast Asia and elsewhere, the military conflict between Russia and Ukraine and conflicts in the Middle East, and/or social events and natural disasters such as typhoons, tsunamis and earthquakes, and outbreaks of widespread health epidemics or pandemics have negatively affected and in the future may negatively affect travel and leisure expenditures. Terrorism, other criminal acts of violence or social events and widespread health epidemics or pandemics could have a negative impact on international travel and leisure expenditures, including lodging, gaming and tourism. We cannot predict the extent to which such acts may affect us, directly or indirectly, in the future. See also “— Risks Relating to Conducting Business and Operating in Macau — An outbreak of widespread health epidemics or pandemics, contagious disease or other outbreaks may have an adverse effect on the economies of affected countries or regions and may have a material adverse effect on our business, financial condition and results of operations” and “— Risks relating to Our Business — Economic or trade sanctions and a heightened trend towards trade and technology “de-coupling” could negatively affect the relationships and collaborations with our suppliers, service providers, technology partners and other business partners, which could materially and adversely affect our competitiveness and business operations.”

In addition, other factors affecting discretionary consumer spending, including the level of disposable consumer income, fears of recession, lack of consumer confidence in the economy, change in consumer preferences, high energy, fuel and other commodity costs and increased cost of travel may negatively impact our business. An extended period of reduced discretionary spending and/or disruptions or declines in airline travel could materially adversely affect our business, results of operations and financial condition.

An outbreak of widespread health epidemics or pandemics, contagious disease or other outbreaks may have an adverse effect on the economies of affected countries or regions and may have a material adverse effect on our business, financial condition and results of operations.

Our operations could be, and in certain cases, such as COVID-19 outbreaks, have been adversely affected by the outbreak of widespread health epidemics or pandemics, such as swine flu, avian influenza, severe acute respiratory syndrome (SARS), Middle East respiratory syndrome (MERS), Zika and Ebola. The occurrence of such health epidemics or pandemics, prolonged outbreak of an epidemic illness or other adverse public health developments in China or elsewhere in the world could materially disrupt our business and operations. Such events could significantly impact our industry and cause severe travel restrictions within China as well as temporary or prolonged closures of the facilities we use for our operations and disruptions to public transportation, which could severely disrupt our operations and have a material adverse effect on our business, financial condition and results of operations. Such events may also indirectly and materially adversely impact our operations by negatively impacting the outlook, growth or business sentiment in the global, regional or local economy.

There can be no assurance that any reemergence or outbreak of COVID-19, swine flu, avian influenza, SARS, MERS, Zika, Ebola or other contagious disease or any measures taken by the governments of affected countries against such potential outbreaks will not seriously interrupt our gaming operations. The perception that an outbreak of any health epidemic or contagious disease may occur may also have an adverse effect on the

economic conditions of countries in Asia. In addition, our operations could be disrupted if any of our facilities or employees or others involved in our operations were suspected of having COVID-19, swine flu, avian influenza, SARS, MERS, Zika or Ebola as this could require us to quarantine some or all of such employees or persons or disinfect the facilities used for our operations. Furthermore, any future outbreak may restrict economic activities in affected regions, which could result in reduced business volume and the temporary closure of our facilities or otherwise disrupt our business operations and adversely affect our results of operations. Our revenues and profitability could be materially reduced to the extent that a health epidemic or other outbreak harms China or global economy in general.

Macau is susceptible to typhoons and heavy rainstorms that may damage our property and disrupt our operations.

Macau's subtropical climate and location on the South China Sea renders it susceptible to typhoons, heavy rainstorms and other natural disasters. In the event of a major typhoon, heavy rainstorms or other natural disasters in Macau, such as Typhoon Ragasa in Macau in September 2025, Studio City may be severely damaged, our operations may be materially and adversely affected and Studio City Casino may even be required to temporarily cease operations by regulatory authorities. Any flooding, unscheduled cessation of operations, interruption in the technology or transportation services or interruption in the supply of public utilities is likely to result in an immediate, and possibly substantial, loss of revenues due to a shutdown of Studio City, including operations at Studio City Casino. Although we benefit from certain insurance coverage with respect to these events, our coverage may not be sufficient to fully indemnify us against all direct and indirect costs, including loss of business, which could result from substantial damage to, or partial or complete destruction of, Studio City or other damages to the infrastructure or economy of Macau.

Risks Relating to Our Shares and ADSs

We are a Cayman Islands holding company. Our sole material asset is our equity interest in MSC Cotai and we will be accordingly dependent upon distributions from MSC Cotai to pay dividends and cover our corporate and other expenses.

We are a Cayman Islands holding company and have no material assets other than our equity interest in MSC Cotai. We have also undertaken that we will not own equity interests in any other entity other than MSC Cotai and that we will contribute to MSC Cotai all net proceeds received by us from sales of equity securities and sales of assets. Please see "Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Pre-IPO Organizational Transactions." Because we will have no independent means of generating revenue, our ability to pay dividends, if any, and cover our corporate and other expenses is dependent on the ability of MSC Cotai to generate revenue to pay such dividends and expenses. This ability, in turn, may depend on the ability of MSC Cotai's subsidiaries to make distributions to it. The ability of MSC Cotai and its subsidiaries to make such distributions will be subject to, among other things, (i) the applicable laws and regulations of the relevant jurisdictions that may limit the amount of funds available for distribution, (ii) restrictions in the Participation Agreement or relevant debt instruments issued by MSC Cotai or its subsidiaries in which it directly or indirectly holds an equity interest and (iii) the availability of funds to distribute. For example, if COVID-19 outbreaks return and disrupt our operations or escalates, it may have a material adverse effect on the availability of funds for MSC Cotai and its subsidiaries to distribute. To the extent that we need funds and MSC Cotai or its subsidiaries are restricted from making such distributions or payments under applicable law or regulation or under the terms of any financing arrangements, or are otherwise unable to provide such funds, our liquidity and financial condition could be materially and adversely affected. In addition, we are not a mainland China operating company and investors may never directly hold equity interests in our operating subsidiaries. This organizational structure involves unique risks to investors, including the possibility of PRC or Macau regulatory authorities disallowing our organizational structure, which would likely result in a material change in our operations and/or value of our ADSs making them significantly decline or worthless.

Participation by certain of our principal shareholders in our equity offerings has reduced the available public float for our ADSs.

MCO Cotai, our controlling shareholder, and certain funds managed by Silver Point Capital, L.P., one of our principal shareholders, participated in our initial public offering and were allocated 25,550,000 ADSs, or 77.3%, of the total amount of ADSs offered in our initial public offering at the initial public offering price. In addition, MCO Cotai, New Cotai and certain funds managed by Silver Point Capital, L.P. also participated in the series of private offers we announced in July 2020 and February 2022 and purchased 121,304,652 Class A shares and 369,645,292 Class A shares, respectively, or 94.4% and 92.4% of the total amount of Class A shares purchased in such offerings. See “Item 7. Major Shareholders and Related Party Transactions — A. Major Shareholders.”

Such purchases and ownership reduced the otherwise available public float for our ADSs and the liquidity of our ADSs relative to what it would have been had these ADSs been purchased by other investors and thereby may adversely impact the trading price of our ADSs.

We may be unable to remain in compliance with the New York Stock Exchange requirements for continued listing and as a result our ADSs may be delisted from trading on the New York Stock Exchange, which would have a material effect on us and the liquidity of our ADSs and Class A ordinary shares.

We had previously received notice from the New York Stock Exchange that we were not in compliance with certain provisions of the New York Stock Exchange Listed Company Manual, or the NYSE Manual, including the requirement that the number of total shareholders of the Company’s capital stock be no less than 400 shareholders and the number of total shareholders of the Company’s capital stock to be no less than 1,200 shareholders if the average monthly volume of its ADSs is less than 100,000 for the most recent 12 months. We subsequently submitted a business plan to the New York Stock Exchange, which was accepted by the New York Stock Exchange. The New York Stock Exchange subsequently notified the Company that it had regained compliance with the applicable continued listing requirements.

We cannot assure you that we can or will continually adhere to all of the continued listing requirements of the New York Stock Exchange, including those required to maintain our listing on the New York Stock Exchange, or that the New York Stock Exchange will not take any other action in the course of monitoring our compliance with the continued listing requirements of the New York Stock Exchange. If we are delisted from the New York Stock Exchange, our ADSs or ordinary shares may be eligible for trading on an over-the-counter market in the United States. In the event that we are not able to obtain a listing on another U.S. stock exchange or quotation service for our ADSs, it may be extremely difficult for holders of our ADSs and shareholders to sell their ADSs or ordinary shares. Moreover, if our ADSs are delisted from the New York Stock Exchange but listed elsewhere, it will likely be on a market with less liquidity and more price volatility than experienced on the New York Stock Exchange. Holders of our ADSs and our shareholders may not be able to sell their ADSs or ordinary shares on any such substitute market in the quantities, at the times or at the prices that could potentially be available on a more liquid trading market. In addition, following a delisting from the New York Stock Exchange, as direct or indirect holders of 5% or more of our shares are subject to suitability and financial capacity reviews by the DICJ, any direct or indirect sales of our ADSs or ordinary shares representing 5% or more of our outstanding share capital may require prior approval by the Macau government. See “Item 4. Information on the Company — B. Business Overview — Regulations — Gaming Operation Regulations” and “Item 4. Information on the Company — B. Business Overview — The Gaming Operator’s Concession.” As a result of these factors, if our ADSs are delisted from the New York Stock Exchange, the price and liquidity of our ADSs and ordinary shares may be materially and adversely affected.

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The trading price of our ADSs has been volatile since our ADSs began trading on The New York Stock Exchange and may be subject to fluctuations in the future, which could result in substantial losses to investors.

The trading price of our ADSs has been and may continue to be subject to wide fluctuations. Since our listing on October 18, 2018 to March 6, 2026, the trading prices of our ADSs ranged from US\$1.52 to US\$28.59 per ADS and the closing sale price on March 6, 2026 was US\$2.85 per ADS. The trading price of our ADSs may be volatile and could fluctuate widely due to factors beyond our control. This may happen because of broad market and industry factors, including the performance and fluctuation of the market prices of other companies with business operations located mainly in Macau or China that have listed their securities in the United States. In addition to market and industry factors, the price and trading volume for our ADSs may be highly volatile for factors specific to our own operations, including the following:

- limited public float of our ADSs;
- international political tensions, including between China and the U.S., and policies and/or legislation which may be proposed and/or enacted in relation to such tensions;
- developments in the Macau market or other Asian gaming markets, including disruptions caused by widespread health epidemics or pandemics;
- general economic, political or other factors that may affect Macau, where Studio City is located and/or the macroeconomic environment, including global pandemics or other crises;
- changes in the economic performance or market valuations of the gaming and leisure industry companies;
- changes in the Gaming Operator's market share of the Macau gaming market;
- regulatory developments affecting us or our competitors;
- actual or anticipated fluctuations in our quarterly or annual operating results;
- announcements of new investments, acquisitions, strategic partnerships, joint ventures or divestments by us or our competitors;
- changes in financial estimates by securities analysts;
- detrimental adverse publicity about us, Studio City or our industries;
- additions or departures of key personnel;
- fluctuations in the exchange rates between the U.S. dollar, H.K. dollar, Pataca and Renminbi;
- release or expiration of lock-up or other transfer restrictions on our outstanding equity securities or sales of additional equity securities;
- sales or perceived sales of additional shares or ADSs or securities convertible or exchangeable or exercisable for shares or ADSs;
- potential litigation or regulatory investigations; and
- rumors related to any of the above, irrespective of their veracity.

In addition, the securities market has from time to time experienced significant price and volume fluctuations that are not related to the operating performance of particular companies. For example, in connection with COVID-19 outbreaks, securities markets across the globe experienced significant volatility. These market fluctuations may also have a material adverse effect on the market price of our ADSs.

In the past, shareholders of public companies have often brought securities class action suits against those companies following periods of instability in the market price of their securities. If we were involved in a

class action suit, it could divert a significant amount of our management's attention and other resources from our business and operations and require us to incur significant expenses to defend the suit, which could harm our results of operations. Any such class action suit, whether or not successful, could harm our reputation and restrict our ability to raise capital in the future. In addition, if a claim is successfully made against us, we may be required to pay significant damages, which could have a material adverse effect on our financial condition and results of operations.

If securities or industry analysts do not publish research or reports about our business, or if they adversely change their recommendations regarding our ADSs, the market price for our ADSs and trading volume could decline.

The trading market for our ADSs depends in part on the research and reports that securities or industry analysts publish about us or our business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who cover us downgrades our ADSs or publishes inaccurate or unfavorable research about our business, the market price for our ADSs would likely decline. If one or more of these analysts cease coverage of our Company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for our ADSs to decline.

Techniques employed by short sellers may drive down the market price of our ADSs.

Short selling is the practice of selling securities that the seller does not own but rather has borrowed from a third party with the intention of buying identical securities back at a later date to return to the lender. The short seller hopes to profit from a decline in the value of the securities between the sale of the borrowed securities and the purchase of the replacement shares, as the short seller expects to pay less in that purchase than it received in the sale. As it is in the short seller's interest for the price of the security to decline, many short sellers publish, or arrange for the publication of, negative opinions regarding the relevant issuer and its business prospects in order to create negative market momentum and generate profits for themselves after selling a security short. These short attacks have, in the past, led to selling of shares in the market.

Public companies that have substantially all of their operations in China have been the subject of short selling. Much of the scrutiny and negative publicity has centered on allegations of a lack of effective internal control over financial reporting resulting in financial and accounting irregularities and mistakes, inadequate corporate governance policies or a lack of adherence thereto and, in many cases, allegations of fraud. As a result, many of these companies are now conducting internal and external investigations into the allegations and, in the interim, are subject to shareholder lawsuits and/or SEC enforcement actions.

It is not clear what effect such negative publicity could have on us. If we were to become the subject of any unfavorable allegations, whether such allegations are proven to be true or untrue, we could have to expend a significant amount of resources to investigate such allegations and/or defend ourselves. While we would strongly defend against any such short seller attacks, we may be constrained in the manner in which we can proceed against the relevant short seller by principles of freedom of speech, applicable law or issues of commercial confidentiality. Such a situation could be costly and time-consuming and could distract our management from growing our business. Even if such allegations are ultimately proven to be groundless, allegations against us could severely impact our business operations, and any investment in our ADSs could be greatly reduced or even rendered worthless.

Holders of ADSs have fewer rights than shareholders and must act through the depositary to exercise those rights.

Holders of ADSs do not have the same rights of our shareholders and may only exercise the voting rights with respect to the underlying Class A ordinary shares of the depositary and in accordance with the provisions of the deposit agreement. Advance notice of at least seven days is required for the convening of our

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annual general meeting and other shareholders meetings. When a general meeting is convened, you may not receive sufficient notice of a shareholders' meeting to permit you to withdraw Class A ordinary shares represented by your ADSs to allow you to cast your vote with respect to any specific matter. In addition, the depositary and its agents may not be able to send voting instructions to you or carry out your voting instructions in a timely manner. We will make all reasonable efforts to cause the depositary to extend voting rights to you in a timely manner, but we cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depositary to vote your ADSs. The depositary and its agents will not be responsible for any failure to carry out any instructions to vote, for the manner in which any vote is cast or for the effect of any such vote. As a result, you may not be able to exercise your right to vote and you may lack recourse if your ADSs are not voted as you requested. In addition, in your capacity as an ADS holder, you will not be able to convene a shareholder meeting.

Your rights to pursue claims against the depositary as a holder of ADSs are limited by the terms of the deposit agreement. In addition, parties to the Participation Agreement have agreed to resolve any disputes by arbitration.

As a holder of our ADSs, you are a party to the deposit agreement under which our ADSs are issued. Under the deposit agreement, any action or proceeding against or involving the depositary arising out of or based upon the deposit agreement or the transactions contemplated thereby or by virtue of you owning the ADSs may only be instituted in a state or federal court in New York, New York. In addition, under the deposit agreement, you, as a holder of our ADSs, will have irrevocably waived any objection which you may have to the laying of venue of any such proceeding and irrevocably submitted to the exclusive jurisdiction of such courts in any such action or proceeding. The depositary may, however, in its sole discretion, require that any dispute or difference arising from the relationship created by the deposit agreement be referred to and finally settled by an arbitration proceeding to be conducted under the terms described in the deposit agreement, which may include claims arising under the U.S. federal securities laws and claims not in connection with our initial public offering, although the arbitration provisions do not preclude you from pursuing claims under the U.S. federal securities laws in federal courts. Furthermore, we may amend or terminate the deposit agreement without your consent. If you continue to hold your ADSs after an amendment to the deposit agreement, you agree to be bound by the terms and subject to the conditions of the deposit agreement as amended.

In addition, the Participation Agreement, pursuant to which MSC Cotai granted the Participation Interest to New Cotai, provides that all disputes arising out of the Participation Agreement must be resolved through arbitration proceedings subject to certain limited exceptions and such provision will affect the manner by which New Cotai or any other parties to the Participation Agreement may pursue any claim or action arising out of the Participation Agreement. For more information, see "Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Pre-IPO Organizational Transactions — Participation Agreement."

ADSs holders may not be entitled to a jury trial with respect to claims arising under the deposit agreement, which could result in less favorable outcomes to the plaintiff(s) in any such action.

The deposit agreement governing the ADSs representing our Class A ordinary shares provides that, subject to the depositary's right to require a claim to be submitted to arbitration, the federal or state courts in the City of New York have exclusive jurisdiction to hear and determine claims arising under the deposit agreement and in that regard, to the fullest extent permitted by law, ADS holders waive the right to a jury trial of any claim they may have against us or the depositary arising out of or relating to our shares, the ADSs or the deposit agreement, including any claim under the U.S. federal securities laws.

If we or the depositary opposed a jury trial demand based on the waiver, the court would determine whether the waiver was enforceable based on the facts and circumstances of that case in accordance with applicable state and federal law. The enforceability of a contractual pre-dispute jury trial waiver in connection

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with claims arising under the U.S. federal securities laws has not been finally adjudicated by the United States Supreme Court. However, based on past court decisions, we believe that a contractual pre-dispute jury trial waiver provision is generally enforceable, including under the laws of the State of New York, which govern the deposit agreement. In determining whether to enforce a contractual pre-dispute jury trial waiver provision, courts will generally consider whether a party knowingly, intelligently and voluntarily waived the right to a jury trial. We believe that this is the case with respect to the deposit agreement and the ADSs. It is advisable that you consult legal counsel regarding the jury waiver provision before investing in the ADSs.

If you or any other holders or beneficial owners of ADSs bring a claim against us or the depository in connection with matters arising under the deposit agreement or the ADSs, including claims under the U.S. federal securities laws, you or such other holder or beneficial owner may not be entitled to a jury trial with respect to such claims, which may have the effect of limiting and discouraging lawsuits against us and/or the depository. If a lawsuit is brought against us and/or the depository under the deposit agreement, it may be heard only by a judge or justice of the applicable trial court, which would be conducted according to different civil procedures and may result in different outcomes than a trial by jury would have had, including results that could be less favorable to the plaintiff(s) in any such action.

Nevertheless, if this jury trial waiver provision is not enforced, to the extent a court action proceeds, it would proceed under the terms of the deposit agreement as a jury trial.

Your right to participate in any future rights offerings may be limited, which may cause dilution to your holdings, and you may not receive cash dividends if it is unlawful or impractical to make them available to you.

We may, from time to time, distribute rights to our shareholders, including rights to acquire our securities. However, we cannot make rights available to you in the United States unless we register the rights and the securities to which the rights relate under the Securities Act of 1933, or the Securities Act, or an exemption from the registration requirements is available. Also, under the deposit agreement, the depository bank will not make rights available to you unless the distribution to ADS holders of both the rights and any related securities are either registered under the Securities Act, or exempted from registration under the Securities Act. We are under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective. Moreover, we may not be able to establish an exemption from registration under the Securities Act. Accordingly, you may be unable to participate in our rights offerings and may experience dilution in your holdings.

In addition, the depository of our ADSs has agreed to pay to you the cash dividends or other distributions it or the custodian receives on our Class A ordinary shares or other deposited securities after deducting its fees and expenses. You will receive these distributions in proportion to the number of Class A ordinary shares your ADSs represent. However, the depository may, at its discretion, decide that it is unlawful, inequitable or impractical to make a distribution available to any holders of ADSs. For example, it would be unlawful to make a distribution to a holder of ADSs if it consists of securities that require registration under the Securities Act but that are not properly registered or distributed under an applicable exemption from registration. Also, the depository may determine that it is not practicable to distribute certain property through the mail, or that the value of certain distributions may be less than the cost of mailing them. In these cases, the depository may decide not to distribute such property and you will not receive such distribution. Except as otherwise provided under the Registration Rights Agreement, we have no obligation to register under U.S. securities laws any ADSs, Class A ordinary shares, rights or other securities received through such distributions. See “Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Registration Rights Agreement.” We also have no obligation to take any other action to permit the distribution of ADSs, Class A ordinary shares, rights or anything else to holders of ADSs.

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Substantial future sales or perceived potential sales of our ADSs, ordinary shares or other equity securities in the public market could cause the price of our ADSs to decline significantly.

As of December 31, 2025, New Cotai owned 31,149,140 ADSs, representing approximately a 14.8% voting and economic interest in our Company, and 72,511,760 Class B ordinary shares, representing approximately a 8.6% voting, non-economic interest in our Company. New Cotai also has a Participation Interest, which entitles New Cotai to receive from MSC Cotai an amount equal to approximately 9.4% of the amount of any distribution, dividend or other consideration paid by MSC Cotai to us, subject to adjustments, exceptions and conditions. Under the Participation Agreement, New Cotai and its permitted transferees will be entitled to exchange its Participation Interest for Class A ordinary shares. We have granted registration rights with respect to the Class A ordinary shares delivered in exchange for Participation Interests. See “Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Pre-IPO Organizational Transactions” and “— Registration Rights Agreement.”

In addition, certain funds managed by Silver Point Capital, L.P., as of September 30, 2024, beneficially owned 400 Class A ordinary shares and another 114,757,256 Class A ordinary shares in the form of ADSs, representing 13.6% of our outstanding ordinary shares, while Melco International beneficially owned 463,095,592 Class A ordinary shares, representing 54.9%, of our outstanding ordinary shares. See “Item 7. Major Shareholders and Related Party Transactions — A. Major Shareholders.”

Sales of substantial amounts of our ADSs in the public market, including upon the exchange of all or part of the Participation Interest by New Cotai or its permitted transferees, or the perception that these sales could occur, could adversely affect the market price of our ADSs and could materially impair our ability to raise capital through equity offerings in the future. We also cannot predict what effect, if any, market sales of securities held by our significant shareholders or any other shareholder or the availability of these securities for future sales will have on the market price of our ADSs. ADSs held by holders who are not affiliates of our Company will be freely tradeable without restriction or further registration under the Securities Act, and shares and ADSs held by our affiliates (in each case, to the extent such holders are deemed to be affiliates of the Company) may also be sold in the public market subject to the restrictions in Rule 144 and Rule 701 under the Securities Act and any applicable lock-up agreements. The ADSs represent interests in our Class A ordinary shares. We would, subject to market forces, expect there to be a close correlation in the price of our ADSs and the price of the Class A ordinary shares and any factors contributing to a decline in one market is likely to result to a similar decline in another.

The depositary for our ADSs will give us a discretionary proxy to vote our Class A ordinary shares underlying your ADSs if you do not vote at shareholders’ meetings, except in limited circumstances, which could adversely affect your interests.

Under the deposit agreement for our ADSs, the depositary will give us a discretionary proxy to vote our Class A ordinary shares underlying your ADSs at shareholders’ meetings if you do not give voting instructions to the depositary, unless:

- we have failed to timely provide the depositary with our notice of meeting and related voting materials;
- we have instructed the depositary that we do not wish a discretionary proxy to be given;
- we have informed the depositary that there is substantial opposition as to a matter to be voted on at the meeting;
- a matter to be voted on at the meeting would have a material adverse impact on shareholders; or
- voting at the meeting is made on a show of hands.

The effect of this discretionary proxy is that, if you fail to give voting instructions to the depositary, you cannot prevent our Class A ordinary shares underlying your ADSs from being voted, absent the situations described above, and it may make it more difficult for shareholders to influence our management. Holders of our Class A ordinary shares are not subject to this discretionary proxy.

Because we do not expect to pay dividends in the foreseeable future, you must rely on price appreciation of our ADSs for return on your investment.

We currently intend to retain most, if not all, of our available funds and any future earnings to repay or refinance our debt, fund our ongoing operations and fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. See “Item 8. Financial Information — A. Consolidated Statements and Other Financial Information — Dividend Policy” and note 15 to the consolidated financial statements included elsewhere in this annual report. Therefore, you should not rely on an investment in our ADSs as a source for any future dividend income.

Our board of directors has complete discretion as to whether to distribute dividends, subject to certain requirements of the laws of the Cayman Islands. Under the laws of the Cayman Islands, a Cayman Islands company may pay a dividend out of either profit or share premium account, provided that in no circumstances may a dividend be paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on, among other things, our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your investment in our ADSs will likely depend entirely upon any future price appreciation of our ADSs. There is no guarantee that our ADSs will appreciate in value or even maintain the price at which you purchased the ADSs. You may not realize a return on your investment in our ADSs and you may even lose your entire investment in our ADSs.

You may be subject to limitations on the transfer of your ADSs.

Your ADSs are transferable on the books of the depositary. However, the depositary may close its books at any time or from time to time when it deems expedient in connection with the performance of its duties. The depositary may close its books from time to time for a number of reasons, including in connection with corporate events such as a rights offering, during which time the depositary needs to maintain an exact number of ADS holders on its books for a specified period. The depositary may also close its books in emergencies, and on weekends and public holidays. The depositary may refuse to deliver, transfer or register transfers of our ADSs generally when our share register or the books of the depositary are closed, or at any time if we deem or the depositary deems it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason.

You may have difficulty enforcing judgments obtained against us.

We are a company incorporated under the laws of the Cayman Islands and substantially all of our assets are located outside the United States. All of our current operations are conducted in Macau. Due to the lack of reciprocity and treaties between the United States and some of these foreign jurisdictions, together with cost and time constraints, it may be difficult or impossible for you to bring an action against us in the United States in the event that you believe that your rights have been infringed under the U.S. federal securities laws or otherwise. In particular, while none of our directors or officers spend a significant amount of time physically located in mainland China, all of our directors and officers, other than Ms. Mielle and Messrs. Sullivan, Dean, Reganato and Black, spend a significant amount of time physically located in Hong Kong and/or Macau, and it will be more difficult to enforce liabilities and enforce judgments on those individuals.

It may also be difficult for you to enforce in the Cayman Islands, Macau, Hong Kong and Singapore courts judgments obtained in U.S. courts based on the civil liability provisions of the U.S. federal securities laws against us and our officers and directors. For instance, judgments of United States courts may not be directly enforced in Hong Kong. There are currently no treaties or other arrangements providing for reciprocal enforcement of foreign judgments between Hong Kong and the United States. However, the common law permits

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an action to be brought upon a foreign judgment. Similarly, the judgment of United States courts may not be directly enforced in Macau. There are currently no treaties or other arrangements providing for reciprocal enforcement of foreign judgments between Macau and the United States. However, Macau's civil procedure law permits an action to be brought to the Macau Second Instance Court for the recognition of a judgment obtained in a foreign jurisdiction. However, a separate legal action for enforcement of the foreign judgment must be commenced in Macau in order to recover a debt from the judgment debtor, in case the debtor does not make voluntary payment of its debt upon recognition of the foreign judgment by the Courts in Macau.

In addition, there is uncertainty as to whether the courts of the Cayman Islands, Macau, Hong Kong and Singapore would recognize or enforce judgments of U.S. courts against us or such individuals predicated upon the civil liability provisions of the securities laws of the United States or any state. It is also uncertain whether such Cayman Islands, Macau, Hong Kong and Singapore courts would be competent to hear original actions brought in the Cayman Islands, Macau, Hong Kong or Singapore against us or such individuals predicated upon the securities laws of the United States or any state.

We are a foreign private issuer within the meaning of the rules under the Securities Exchange Act of 1934, or the Exchange Act, and as such we are exempt from certain provisions applicable to domestic public companies in the United States.

Because we are a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers, including: (i) the rules under the Exchange Act requiring the filing of quarterly reports on Form 10-Q or current reports on Form 8-K with the SEC; (ii) the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act; (iii) the sections of the Exchange Act imposing liability for insiders who profit from trades made in a short period of time; and (iv) the selective disclosure rules by issuers of material nonpublic information under Regulation FD.

We will be required to file an annual report on Form 20-F within four months of the end of each fiscal year. In addition, we currently publish our results on a quarterly basis through press releases, distributed pursuant to the rules and regulations of the New York Stock Exchange. Press releases relating to financial results and material events will be furnished to the SEC on Form 6-K. However, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers.

As a foreign private issuer, we are subject to New York Stock Exchange corporate governance listing standards. However, the New York Stock Exchange rules permit a foreign private issuer like us to follow the corporate governance practices of its home country, including with respect to board and committee composition and shareholder approval requirements with respect to issuances of equity securities. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from New York Stock Exchange corporate governance listing standards. For instance, shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records or to obtain copies of lists of shareholders of these companies. Our directors have discretion under our articles of association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. In addition, we rely on this "home country practice" exception and do not have a majority of independent directors serving on our board and we are not required to obtain shareholder approval prior to issuances of ordinary shares or ADSs under New York Stock Exchange rules. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

As a "controlled company" within the meaning of the New York Stock Exchange corporate governance rules, we are eligible to, and, in the event we no longer qualify as a foreign private issuer, we intend to elect not to comply with certain of the New York Stock Exchange corporate governance standards, including the requirement that a majority of directors on our board of directors be independent directors.

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Certain corporate governance practices in the Cayman Islands, which is our home country, differ significantly from requirements for companies incorporated in other jurisdictions such as the United States. To the extent we choose to follow home country practice with respect to corporate governance matters, our shareholders may be afforded less protection than they otherwise would under rules and regulations applicable to U.S. domestic issuers.

We incur increased costs as a result of being a public company.

As a public company, we incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act of 2002, as well as rules subsequently implemented by the SEC and the New York Stock Exchange, impose various requirements on the corporate governance practices of public companies. These rules and regulations have increased our legal and financial compliance costs and have made some corporate activities more time-consuming and costly. We have also incurred significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and the other rules and regulations of the SEC. For example, as a result of becoming a public company, we have increased the number of independent directors and adopted policies regarding internal controls and disclosure controls and procedures. As a public company, it may be more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. In addition, we will incur additional costs associated with our public company reporting requirements. It may also be more difficult for us to find qualified persons to serve on our board of directors or as executive officers.

We are a Cayman Islands exempted company and, because judicial precedent regarding the rights of shareholders is more limited under Cayman Islands law than that under U.S. law, you may have less protection for your shareholder rights than you would under U.S. law.

We are an exempted company incorporated under the laws of the Cayman Islands. Our corporate affairs are governed by our memorandum and articles of association, the Companies Act (as amended) of the Cayman Islands, or Companies Act, and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary duties of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands (except for those decisions handed down from the Judicial Committee of the Privy Council to the extent that these have been appealed from the Cayman Islands courts). The rights of our shareholders and the fiduciary duties of our directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a less developed body of securities laws than the United States. Some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands. In addition, Cayman Islands companies may not have standing to initiate a shareholder derivative action in a federal court of the United States.

Shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records (other than the memorandum and articles of association, a list of the current directors and the register of mortgages and charges) or to obtain copies of lists of shareholders of these companies. Our directors have discretion under our articles of association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

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As a result of all of the above, our public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as shareholders of a U.S. public company. For a discussion of significant differences between the provisions of the Companies Act (as amended) of the Cayman Islands and the laws applicable to companies incorporated in the United States and their shareholders, see “Item 10. Additional Information — B. Memorandum and Articles of Association — Differences in Corporate Law.”

If we are a “passive foreign investment company” for United States federal income tax purposes for any taxable year, United States holders of our ADSs could be subject to adverse United States federal income tax consequences.

A non-United States corporation will be a “passive foreign investment company,” or a “PFIC,” for United States federal income tax purposes for any taxable year if, applying applicable look-through rules, either (i) at least 75% of its gross income for such taxable year is passive income or (ii) at least 50% of the value of its assets (generally based on an average of the quarterly values) during such year is attributable to assets that produce or are held for the production of passive income. Based on the value of our assets and the composition of our income and assets, we do not believe we were a PFIC for United States federal income tax purposes for our taxable year ended December 31, 2025. However, the determination of whether or not we are a PFIC according to the PFIC rules is made on an annual basis and will depend on the composition of our income and assets and the value of our assets from time to time. Therefore, changes in the composition of our income or assets or the value of our assets may cause us to become a PFIC. The determination of the value of our assets (including goodwill not reflected on our balance sheet) may be based, in part, on the quarterly market value of our ADSs, which is subject to change and may be volatile.

The classification of certain of our income as active or passive, and certain of our assets as producing active or passive income, and hence whether we are or will become a PFIC, depends on the interpretation of certain United States Treasury regulations as well as certain United States Internal Revenue Service (“IRS”) guidance relating to the classification of assets as producing active or passive income. Such regulations and guidance are potentially subject to different interpretations. If due to different interpretations of such regulations and guidance the percentage of our passive income or the percentage of our assets treated as producing passive income increases, we may be a PFIC in one or more taxable years.

If we are a PFIC for any taxable year during which a “United States person” holds ADSs, certain adverse United States federal income tax consequences could apply to such United States person. See “Item 10. Additional Information — E. Taxation — United States Federal Income Taxation — Passive Foreign Investment Company.”

If a “United States person” is treated as owning at least 10% of our shares, such holder may be subject to adverse United States federal income tax consequences.

If a “United States person” is treated as owning (directly, indirectly or constructively) at least 10% of the value or voting power of our stock (including our ordinary shares and ADSs), such person may be treated as a “United States shareholder” with respect to us. A United States shareholder of a “controlled foreign corporation” may be required to report annually and include in its United States taxable income its pro rata share of “subpart F income,” “global intangible low-taxed income” and investments in “United States property” by controlled foreign corporations, regardless of whether we make any distributions. An individual that is a United States shareholder with respect to a controlled foreign corporation generally would not be allowed certain tax deductions or foreign tax credits that would be allowed to a United States shareholder that is a United States corporation. Failure to comply with these reporting obligations may subject you to significant monetary penalties and may prevent the statute of limitations with respect to your United States federal income tax return for the year for which reporting was due from starting. We cannot provide any assurances that we will assist investors in determining whether we are a controlled foreign corporation or whether such investor is treated as a United

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States shareholder with respect to us or furnish to any United States shareholders information that may be necessary to comply with the aforementioned reporting and tax paying obligations. A United States investor should consult its advisors regarding the potential application of these rules to an investment in the stock.

Changes in tax law relating to multinational corporations could adversely affect our tax position.

The member countries of the Organization for Economic Co-operation and Development (“OECD”), with the support of the G20, initiated the base erosion and profit shifting (“BEPS”) project in 2013 in response to concerns that changes were needed to international tax laws. In November 2015, the G20 finance ministers adopted final BEPS reports designed to prevent, among other things, the artificial shifting of income to low-tax jurisdictions, and legislation to adopt and implement the standards set forth in such reports has been enacted or is currently under consideration in a number of jurisdictions. In May 2019, the OECD published a “Programme of Work,” which was divided into two pillars. Pillar One focused on the allocation of group profits among taxing jurisdictions based on a market-based concept rather than the historical “permanent establishment” concept. Global Anti-Base Erosion Model Rules (“Pillar Two”), among other things, introduced a global minimum tax. On October 10, 2021, 137 member jurisdictions of the G20/OECD Inclusive Framework on BEPS (including Israel) joined the “Statement on a Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy” which sets forth the key terms of such two-pillar solution, including a reallocation of taxing rights among market jurisdictions under Pillar One and a global minimum tax rate of 15% under Pillar Two. On December 20, 2021, the OECD published model rules to implement the Pillar Two rules and released commentary to the Pillar Two model rules in March 2022 and published administrative guidance in 2023, 2024 and 2025. The model rules and commentary allow the OECD’s Inclusive Framework of over 140 members to begin implementing the Pillar Two rules in accordance with the agreement reached in October 2021. Pillar Two has been enacted in certain jurisdictions where we operate and the timing and ultimate impact of additional enactments and implementation on our tax obligations is uncertain. These changes, when enacted, by various countries in which we do business may increase our taxes in these countries in the future. The foregoing tax changes and other possible future tax changes may have an adverse impact on us, our business, financial condition, results of operations and cash flow.

ITEM 4. INFORMATION ON THE COMPANY

A. HISTORY AND DEVELOPMENT OF THE COMPANY

We were established as an international business company, limited by shares, under the laws of the British Virgin Islands as CYBER ONE AGENTS LIMITED on August 2, 2000 and subsequently re-registered as a business company, limited by shares, under the British Virgin Islands Business Companies Act, 2004. New Cotai acquired a 40% equity interest in us on December 6, 2006. MCO Cotai acquired a 60% equity interest in us on July 27, 2011. Melco Resorts is an exempted company incorporated with limited liability under the Companies Act (as amended) of the Cayman Islands and its American Depositary Shares are listed on the Nasdaq Global Select Market in the United States. On January 17, 2012, our name was changed from CYBER ONE AGENTS LIMITED to STUDIO CITY INTERNATIONAL HOLDINGS LIMITED.

In October 2001, we were granted a land concession in Cotai by the Macau government for the development of Studio City, a cinematically-themed integrated resort. Studio City commenced operations on October 27, 2015. We conduct our principal activities through our subsidiaries, which are primarily located in Macau. We currently operate the non-gaming operations of Studio City. The Gaming Operator operates the Studio City Casino. See “Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions.”

Prior to the completion of our initial public offering, we engaged in a series of organizational transactions, or the Organizational Transactions, through which substantially all of our assets and liabilities were contributed to our subsidiary, MSC Cotai, a business company limited by shares incorporated in the British Virgin Islands, in exchange for newly-issued shares of MSC Cotai. For more information on the Organizational Transactions, see “Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Pre-IPO Organizational Transactions.” In connection with such Organizational Transactions, we redomiciled by way of continuation as an exempted company incorporated with limited liability under the laws of the Cayman Islands on October 15, 2018.

In October 2018, we completed the initial public offering of our ADSs, each of which represents four Class A ordinary shares, and listed our ADSs on The New York Stock Exchange under the symbol “MSC.” For more information on our corporate structure, see “— C. Organizational Structure.”

On May 4, 2022, we were identified as a Commission-Identified Issuer under the HFCAA and the rules promulgated thereunder because our auditor at that time was Ernst & Young, located in Hong Kong, which was a PCAOB-Identified Firm as of May 4, 2022. On August 16, 2022, we changed our auditor from Ernst & Young, located in Hong Kong, to Ernst & Young LLP, located in Singapore, which was not a PCAOB-Identified Firm. In December 2022, the PCAOB announced that it secured complete access to inspect and investigate registered public accounting firms headquartered in mainland China and Hong Kong. On June 7, 2024, we changed our auditor to Deloitte & Touche LLP, located in Singapore, which is also not a PCAOB-Identified Firm. As a result, until such time as the PCAOB issues any new determination, we do not believe we are at risk of being a Commission-Identified Issuer nor at risk of having our securities subject to a trading prohibition under the HFCAA.

Our principal executive offices are located at 71 Robinson Road, #04-03, Singapore 068895 and 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong. Our telephone number is 852-2598-3600 and our fax number is 852-2537-3618. Our registered office is located at Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman, KY1-9008, Cayman Islands. Our website is www.studiocity-macau.com. The information contained on our website is not part of this annual report on Form 20-F.

The SEC maintains an internet site (<http://www.sec.gov>) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

B. BUSINESS OVERVIEW

Overview

Studio City is a world-class integrated resort located in Cotai, Macau and its principal operating activities are the provision of services pursuant to a casino contract and the hospitality business in Macau. The gaming operations of Studio City Casino are focused primarily on the mass market and target all ranges of mass market patrons. Pursuant to the Studio City Casino Agreement, the Studio City Casino currently has 259 mass gaming tables and 800 gaming machines available for operation. The Gaming Operator operated an average of approximately 253 gaming tables and 775 gaming machines in 2025 at the Studio City Casino, compared to an average of approximately 251 gaming tables and 709 gaming machines in 2024 and an average of approximately 246 gaming tables and 661 gaming machines in 2023. Following the closure by the Gaming Operator of three of its Mocha Clubs between September and December 2025, 198 gaming machines were re-allocated by the Gaming Operator to Studio City. Our cinematically-themed integrated resort is designed to attract a wide range of customers by providing highly differentiated non-gaming attractions, including the world's first figure-8 Ferris wheel, a deluxe night club and karaoke, a 5,000-seat live performance arena and an outdoor and an indoor water park. Studio City features approximately 2,493 luxury hotel rooms, diverse food and beverage establishments, a nine-screen cineplex and approximately 44,300 square meters of complementary retail space.

Studio City is strategically located in Cotai, as one of the few dedicated Cotai hotel-casino resort stops on the Macau Light Rapid Transit Line, with an access bridge leading to Studio City.

Studio City Casino is operated by the Gaming Operator, one of the subsidiaries of Melco Resorts and a holder of a gaming concession, and we operate the non-gaming businesses of Studio City.

We generated all of our revenues for each of the years ended December 31, 2025, 2024 and 2023 from our operations in Macau, the sole market in which we compete to operate. For further information on the Macau gaming market, see “— Market and Competition — Macau Gaming Market.”

Gaming

Studio City Casino currently consists of mass market table gaming and gaming machine areas, with a gaming and gaming support area of 28,784.3 square meters, located on the ground, first and second floors of Studio City. For the years ended December 31, 2025, 2024 and 2023, Studio City Casino's gross gaming revenues was US\$1.38 billion, US\$1.31 billion and US\$0.91 billion, respectively.

Studio City Casino had an average of approximately 253 gaming tables and 775 gaming machines in operation in 2025, compared to an average of approximately 251 gaming tables and 709 gaming machines in operation in 2024. These gaming tables offer gaming patrons a variety of options including baccarat, three card baccarat, blackjack, craps, Caribbean stud poker, roulette, sic bo, fortune 3 card poker and other games. We currently expect our business strategy going forward to continue to focus primarily on cultivating further growth in the premium mass and mass market operations at the Studio City Casino and enhancing our differentiated non-gaming amenities to complement our gaming operations.

Mass Market Operation

The mass market gaming area caters to mass market patrons and offers a full range of games, 24 hours daily. The layout of the gaming floor is organized based on the different market segments that Studio City Casino targets, namely the mainstream mass market and the premium mass market. The premium mass market gaming area has decorations and features distinctive from the mainstream mass market gaming area.

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Studio City Casino's mass market table games drop and hold percentage were US\$3.76 billion and 33.4% in 2025, respectively, US\$3.68 billion and 30.6% in 2024, respectively, and US\$2.87 billion and 27.3% in 2023, respectively. As a result, Studio City Casino had gross gaming revenue from mass market table games of US\$1.26 billion, US\$1.13 billion and US\$0.78 billion in 2025, 2024 and 2023, respectively. Studio City Casino's gaming machine handle and gaming machine win rate were US\$3.60 billion and 3.5% in 2025, respectively, US\$3.41 billion and 3.3% in 2024, respectively, and US\$2.48 billion and 3.3% in 2023, respectively. As a result, Studio City Casino had gross gaming revenue from gaming machine of US\$127.2 million, US\$111.7 million and US\$82.8 million in 2025, 2024 and 2023, respectively. Average net win per gaming machine per day in 2025, 2024 and 2023 was US\$451, US\$431 and US\$343, respectively.

Studio City Casino will continue to re-examine the mass market gaming areas to maximize table utilization, to innovate gaming products and to invest in technologies and analytical capability to enhance table productivity and customer retention.

VIP Rolling Chip Operation

Studio City Casino did not have VIP rolling chip operations in 2025. Studio City Casino's VIP rolling chip volume, VIP rolling chip win rate and VIP rolling chip gross gaming revenue were US\$2.00 billion, 3.85% and US\$77.1 million, respectively, in 2024, and US\$2.79 billion, 1.65% and US\$46.0 million, respectively, in 2023.

Hotel

Studio City includes luxury hotel facilities with approximately 2,493 hotel rooms, all elegantly furnished and complete with services and amenities to match. The hotel facilities include indoor and outdoor swimming pools, beauty salon, spa, fitness centers and other amenities. The Studio City Hotel features four distinct towers, enabling it to provide a variety of accommodation selections to visitors. The W Macau hotel tower offers 557 rooms with nine room types which range in size from 37 square meters to 257 square meters, while Epic Tower offers 338 suites with eight room types which range in size from 67 square meters to 550 square meters. The premium all-suite Star Tower offers approximately 600 suites complete with lavish facilities and dedicated services for a luxury retreat. There are six types of suites which range in size from the Star Premier King Suite at 62 square meters to the Star Grand Deluxe Suite at 211 square meters which includes a living room, dining room and a separate bedroom. Personalized check-in, private indoor heated pool and health club can be enjoyed by all Star Tower guests. The Celebrity Tower with approximately 1,000 rooms brings a deluxe hotel experience to a broad range of travelers, which includes access to all of the entertainment facilities offered by Studio City. It offers eleven different room types ranging from the Celebrity King at 42 square meters to the Celebrity Deluxe Suite at 95 square meters. The following table sets forth certain data with respect to our hotel for the years indicated:

	For the Year Ended December 31,		
	2025	2024	2023
Average daily rate (US\$)	171	165	153
REVPAR (US\$)	167	159	137
Occupancy rate	98%	96%	90%

In 2026, Studio City's Star Tower garnered the Forbes Travel Guide Five-Star recognition for the ninth consecutive year, while Epic Tower earned its second Forbes Travel Guide Five-Star recognition.

Dining

We believe that our selection of dining options that include restaurants, bars and lounges offering a diverse selection of local, regional and international cuisine attracts more visitors to Studio City. Studio City

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offers both high-end and casual dining restaurants, cafes, bars and lounges to cater to the tastes and preferences of our patrons. A wide range of food and beverage outlets are located throughout Studio City, including traditional Cantonese, northern Chinese, South East Asian, Japanese, Italian and other western and international cuisines as well as local Macau cuisine. Studio City offers gourmet dining with a range of signature restaurants including the one MICHELIN-starred *Pearl Dragon*.

Retail

Studio City has approximately 44,300 square meters of themed and innovative retail space at the lower levels of the property. The retail mall showcases a variety of shops and food and beverage offerings including a small portion of our self-operated retail outlets.

The Boulevard at Studio City provides a unique retail experience to visitors. The immersive retail entertainment environment at Studio City enables visitors to shop in a streetscape environment with featured streets and squares inspired by iconic shopping and entertainment locations, including New York's Times Square. Studio City's retail space offers a mix of fashion-forward labels and internationally-renowned brands.

Entertainment

Macau is an increasingly popular tourist destination and in order to attract more tourists and locals, Studio City incorporated many entertainment themes and elements which appeal to the mainstream mass consumer. Our diverse, immersive and entertainment-driven experiences and innovative venues cater to a wide range of demographic groups, including young professionals and families with children. As a major tourist attraction in Macau, Studio City's premier entertainment offerings help to drive visitation to our property. Studio City's entertainment offerings include:

- *Golden Reel* — an iconic landmark of Macau, it is the world's first figure-8 and Asia's highest Ferris wheel. The Golden Reel rises approximately 130 meters high between Studio City's Art Deco-inspired twin hotel towers. The iconic landmark features 17 spacious Steampunk-themed cabins that can each accommodate up to ten passengers.
- *Studio City Event Center* — a 5,000-seat multi-purpose arena representing the centerpiece of Studio City's live entertainment offerings, including Macau's first residency show experiences featuring headline acts such as Aaron Kwok (郭富城), Leon Lai (黎明) and Joey Yung (容祖兒). The complex has a first-class premium seating level offering 16 private VIP suites, in addition to approximately 242 luxury club seats and a deluxe club lounge. Each VIP suite is spacious and elegantly designed, coming fully equipped with stylish furnishings and a flat-screen TV. Playing host to concerts, theatrical shows, sporting events, family shows, award ceremonies and more, the Studio City Event Center is the next generation in versatile, innovative, premier and live entertainment venues.
- *Studio City Water Park* — an all-weather water park complex and Macau's largest water park:
 - *Outdoor Water Park*— a water park featuring several high-thrill and family-focused attractions, including the High Point Twister, a 20-meter tall slide tower with waterslides for individuals and small families alike, and the Golden Bucket, a massive water play structure with a classic tipping bucket, four slides and over 60 water features. For small children, the Studio City Water Park includes the Little Lagoon with four slides for kids of all ages and their parents. Finally, the Studio City Water Park also includes Studio City's Riverscape, a jungle-themed action river that is over 450 meters long which offers three routes of differing lengths, three white-sand beaches and 16 water features throughout the guest's journey.
 - *Indoor Water Park* — a climate-controlled, space-themed indoor water park with 16 attractions, including seven exhilarating water slides, two wave pools, including a unique Oblivion Pool that extends both indoors and outdoors, and the only indoor surfing simulator in Macau.

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- *Studio City Cinema* — cineplex featuring nine houses, including the first Dolby Cinema® in Hong Kong and Macau, five VIP houses, one double house, one MX4D sensory house and one regular house. The Dolby Cinema® combines the immersive sound of Dolby Atmos® and the remarkable picture of Dolby Vision® in a special theater designed by Dolby to deliver the most immersive experience possible. The other houses are equipped with high-quality Dolby sound systems and RealLaser 4K projection, including three houses with Dolby Atmos.
- *Legend Heroes PVRK* — a technology-based entertainment park which combines virtual technology with the physical world to deliver an immersive user experience. Legend Heroes PVRK features flight simulation, VR simulations, bowling alleys, a free arcade, trendy retail, and a high-tech café featuring Macau’s only Robot Barista.
- *Club MOP* — a nightclub with a venue of approximately 48,000 square feet, including an approximately 10,000 square feet terrace area, complete with private cabanas and a DJ booth. Club MOP also has a main hall for hosting events with internationally recognized artists, a karaoke lounge and four deluxe karaoke rooms available for private events.
- *Super Fun Zone* — covering 29,600 square feet, the four-level Super Fun Zone is capable of hosting up to 500 people. Divided into five zones—Mountain, Forest, Under the Sea, Outer Space and Space Station – it is a space for children of all ages to climb, jump and enjoy a wide range of experiences featuring more than ten attractions. Super Fun Zone also offers three party rooms, one retail store and one clubhouse diner.
- *Sk8te Park* — a 1,200 square-meter rooftop skate park that boasts a “street” and “park” layout and caters for skateboarding, BMX, scootering and aggressive inline skating.
- *Nickelodeon Town* — covering 20,000 square feet, Nickelodeon Town offers children the opportunity to team up with the Teenage Mutant Ninja Turtles on a three-story climbing challenge and dive into SpongeBob’s underwater world at Bikini Bottom and explore the PAW Patrol and Garfield themed attractions. Nickelodeon Town also features a DIY craft zone and exclusive souvenirs at its themed retail shop.

Meetings, Incentives, Conventions and Exhibitions

Studio City offers over 4,000 square meters of indoor event space with flexible configurations and customization options, which can accommodate a variety of events from an exclusive banquet to an international conference. The Grand Ballroom space of 1,820 square meters can be configured into three separate ballrooms with a banquet capacity of 1,200 seats or a cocktail reception for 1,500 people. Eight individual salons, together with the Grand Ballroom, provide a banquet seating capacity of up to 1,200 seats or meeting and break-out spaces with extensive pre-function areas for up to 1,800 people. Many of the salons offer views of the pool deck and have private outdoor terraces for coffee and lunch breaks.

MICE events typically take place on weekdays, thereby drawing traffic during the portion of the week when hotels and casinos in Macau normally experience lower demand relative to weekends and holidays when occupancy and room rates are typically at their peak due to leisure travel.

Customers

We seek to cater to a broad range of customers with a focus primarily on mass market patrons through the diverse gaming and non-gaming facilities and amenities at Studio City. The loyalty programs, which are operated by the Gaming Operator jointly with other Gaming Operator casinos and properties, at Studio City ensures that each customer segment is specifically recognized and incentivized in accordance with their revenue contribution. The gaming loyalty program is segmented into several tiers. Members earn points for their gaming spending which may be redeemed for a range of retail gifts and complimentary vouchers to be used in our

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restaurants, bars, shows, hotel and Studio City Casino. Members also receive other benefits such as discounts, parking entitlement and invitations to member-only promotional events. Dedicated customer hosting programs provide service to our most valuable customers and these customers enjoy exclusive access to private luxury gaming salons. In addition, we utilize sophisticated analytical programs and capabilities to track the behavior and spending patterns of our patrons. We believe these tools will help deepen our understanding of our customers to optimize yields and make continued improvements to our Studio City property. We assess and evaluate our focus on different market segments from time to time and adjust our operations accordingly.

Gaming Patrons

Gaming patrons currently include mass market patrons.

Mass market patrons come to Studio City Casino for a variety of reasons, including our brand, the quality and comfort of the mass market gaming offerings. Mass market patrons are classified as mainstream mass market and premium mass market patrons. Our premium mass market patrons are offered a variety of premium mass market amenities and loyalty programs, such as reserved space on the regular gaming floor and various other services, that are generally unavailable to mainstream mass market patrons. Mass market patrons play table games and gaming machines for cash stakes that are typically lower than those of VIP rolling chip patrons.

While Studio City Casino did not have VIP rolling chip operations in 2025, Studio City Casino had VIP rolling chip operations in 2023 and 2024. VIP rolling chip patrons were patrons who participated in Studio City Casino's in-house rolling chip programs at dedicated VIP gaming areas. These patrons included premium direct players sourced through the marketing efforts of the Gaming Operator. VIP rolling chip patrons were eligible to earn a variety of gaming related cash commissions and complimentary products and services, such as rooms, food and beverage and retail products provided by the Gaming Operator.

Non-Gaming Patrons

We provide non-gaming patrons with a broad array of accommodations and leisure and entertainment offerings featured at Studio City, including interactive attractions, rides and attractive retail offerings and food and beverage selections.

Advertising and Marketing

The Gaming Operator holds various promotions and special events at Studio City and operates loyalty programs for patrons. In addition, Studio City participates in cross marketing and sales campaigns developed by the Gaming Operator. We believe this arrangement helps reduce marketing costs through scale synergies and enhances cross-revenue opportunities.

Moreover, we seek to attract customers to Studio City and to grow our customer base over time by undertaking a variety of advertising and marketing activities.

There are public relations and marketing and branding teams dedicated to Studio City that cultivate media relationships, promote Studio City's brands and directly liaise with customers within target Asian and other countries in order to explore media opportunities in various markets. Advertising activities at Studio City are rolled out through a variety of local and regional media platforms, including digital, social media, print, television, online, outdoor as well as collateral and direct mail pieces. We also engage celebrities for marketing activities. We believe that these marketing and incentive programs will increase our brand awareness and drive further visitation to Studio City.

Awards

Studio City has received numerous awards and accolades, including:

- In 2026, Studio City's Star Tower received the Forbes Travel Guide Five-Star recognition for the ninth consecutive year, while Epic Tower earned its second Forbes Travel Guide Five-Star recognition;
- The Spa at Epic Tower earned its second Forbes Travel Guide Five-Star recognition in 2026. Zensa Spa was awarded the Forbes Travel Guide Five-Star recognition for the eighth time in 2026 and was named Best Luxury Day Spa at the International Spa & Beauty Awards 2024;
- Its signature Cantonese restaurant Pearl Dragon received its eighth Forbes Travel Guide Five-Star recognition in 2026 and maintained its One MICHELIN Star for the ninth consecutive year in the MICHELIN Guide Hong Kong Macau 2025. It was listed among LA LISTE World's Best Restaurants 2025 and was named among the Tatler Best 20 Restaurants in Macau at the Tatler Best Awards Hong Kong and Macau for the second consecutive year in 2025. Additionally, it garnered the Platinum award in the Trip.Gourmet 2026 The Global Selection of Restaurant;
- Studio City Hotel was selected as one of the top 10 winners in the "Hotel Pools" category of the Travel + Leisure Luxury Awards Asia Pacific 2025;
- Studio City Phase 2 achieved the Building Research Establishment Environmental Assessment Method (BREEAM) "Excellent" rating for New Construction in 2025. It is also the first BREEAM certified project in China under the category International 2016 New Construction: Bespoke scheme with an "Excellent" rating;
- W Macau – Studio City was recognized as one of the World's Most Beautiful Hotels by UNESCO's World Architecture & Design Award, the Prix Versailles, in 2024; and
- Studio City Water Park was listed among China's Top 100 Novel Attractions in the 2023 Global Travel Play Book released by the China Tourism Academy and Mafengwo, and also received the "World Waterpark Association Leading Edge Award" for its indoor water park in 2023.

Market and Competition

Macau Gaming Market

Gaming in Macau is administered through concessions awarded by the Macau government to six different concessionaires: SJM, MGM Grand Paradise S.A., or MGM Grand Paradise, Galaxy, Venetian Macau, S.A., Wynn Resorts Macau and Melco Resorts Macau.

SJM is a subsidiary of SJM Holdings Ltd., a company listed on the Hong Kong Stock Exchange in which family members of Mr. Lawrence Ho, the chairman of our Company and the chairman and chief executive officer of Melco Resorts, have shareholding interests. SJM currently operates multiple casinos throughout Macau. SJM (through its predecessor Tourism and Entertainment Company of Macau Limited) commenced its gaming operations in Macau in 1962 and opened Grand Lisboa Palace in Cotai in July 2021 and opened two additional hotels in 2023.

MGM Grand Paradise is a subsidiary of MGM China Holdings Limited, a company listed on the Hong Kong Stock Exchange. MGM Grand Paradise was originally formed as a joint venture by MGM-Mirage and Ms. Pansy Ho, sister of Mr. Lawrence Ho. MGM Grand opened MGM Macau on the Macau Peninsula in December 2007 and MGM Cotai in February 2018.

Galaxy currently operates multiple casinos in Macau, including StarWorld, a hotel and casino resort in Macau's central business and tourism district. The Galaxy Macau Resort opened in Cotai in May 2011 and the opening of Phase 2 of the Galaxy Macau Resort took place in May 2015. Galaxy progressively opened phase 3 of the Galaxy Macau Resort from the second quarter of 2023, while Phase 4 is currently under development and is expected to open in 2027.

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Venetian Macau, S.A. is a subsidiary of Las Vegas Sands Corporation and Sands China Limited, which are listed on the New York Stock Exchange and the Hong Kong Stock Exchange, respectively. Las Vegas Sands Corporation is the developer of Sands Macao, The Venetian Macau, Sands Cotai Central and Parisian Macao. Venetian Macau, S.A. operates Sands Macao on the Macau peninsula, together with The Venetian Macau and the Plaza Casino at The Four Seasons Hotel Macao, which are located in Cotai. Venetian Macau, S.A. also operated Sands Cotai Central in Cotai, which has been rebranded and redeveloped into The Londoner Macau, which opened in February 2021, and completed renovations of the former Sheraton Grand, rebranding the hotel as the Londoner Grand, which opened in June 2025. Sands China Ltd. opened the Parisian Macao in Cotai in September 2016.

Wynn Resorts Macau, is a subsidiary of Wynn Macau, Limited, which is listed on the Hong Kong Stock Exchange, and of Wynn Resorts Limited, which is listed on the Nasdaq Global Select Market. Wynn Resorts Macau opened Wynn Macau in September 2006 on the Macau Peninsula and an extension called Encore in 2010. In August 2016, Wynn Resorts Macau opened Wynn Palace, in Cotai.

The Gaming Operator, in addition to Studio City Casino, also operates Mocha Clubs, Altira Macau (located in Taipa Island), which opened in May 2007, and City of Dreams located in Cotai, which opened in June 2009. Phase 3 of City of Dreams, which includes the Morpheus Hotel, opened in June 2018.

In addition to facing competition from existing operations of these concessionaires, we will face increased competition when any of them constructs new, or renovates pre-existing, hotels and casinos in Macau or enters into leasing, services or other arrangements with hotel owners, developers or other parties for the operation of casinos and gaming activities in new or renovated properties.

Under the amended gaming law, the Macau government has set a cap on gaming tables and gaming machines that may be operated in Macau at 6,000 gaming tables and 12,000 gaming machines. In addition, gaming tables and gaming machines previously allocated to a concessionaire may also be revoked if the minimum average annual gross gaming revenue of MOP7 million (equivalent to approximately US\$873,404) for gaming tables and MOP300,000 (equivalent to approximately US\$37,432) for gaming machines are not met for two consecutive years or the tables or gaming machines are not fully utilized without reason within a certain period.

Other Regional Markets

Studio City may also face competition from casinos and gaming resorts located in other Asian or European destinations together with cruise ships. Casinos and integrated gaming resorts are becoming increasingly popular in Asia, giving rise to more opportunities for industry participants and increasing regional competition. In the Philippines, there are five major gaming facilities in metro Manila, including City of Dreams Manila, with a sixth gaming facility scheduled to open in 2026. There are two major gaming facilities in Singapore located on Sentosa and at Marina Bay and an international gaming resort in Malaysia located approximately a one-hour drive from Kuala Lumpur. South Korea has allowed gaming for some time but these offerings are available primarily to foreign visitors. There are also casinos in Vietnam and Cambodia, and major gaming facilities in Australia located in Melbourne, Perth, Sydney and the Gold Coast. Vietnam launched a 5-year pilot program in November 2025 to allow local gaming at certain casino resorts.

In Japan, a proposed project in Osaka was awarded to MGM Resorts International and its joint venture partner Orix Corporation which is currently slated to open in 2030.

We may also face competition from hotels and resorts, including many of the largest gaming, hospitality, leisure and resort companies in the world.

Seasonality

Macau, which is our principal market of operation, experiences many peaks and seasonal effects. The “Golden Week” and “Chinese New Year” holidays are generally the key periods where business and visitation increase considerably in Macau. While we may experience fluctuations in revenues and cash flows from month to month, we do not believe that our business is materially impacted by seasonality.

Land and Properties

Land Concession

We entered into a land concession contract with the Macau government for the land on which Studio City is located. The granted land is located in Cotai, Macau, with a total area of approximately 130,789 square meters. The gross construction area of our granted land is approximately 657,879.4 square meters, of which approximately 28,784.3 square meters, or 4.38%, comprises the gaming and gaming support area and is owned by the Macau SAR. Effective from January 1, 2023, the Macau government has transferred this area to the Gaming Operator for usage in its operations of the Studio City Casino during the duration of the concession for a fee of MOP750.00 (equivalent to approximately US\$94) per square meter for years 1 to 3 of the Concession Contract, subject to consumer price index increase in years 2 and 3 of the concession. The fee will increase to MOP2,500.00 (equivalent to approximately US\$312) per square meter for years 4 to 10 of the concession, subject to consumer price index increase in years 5 to 10 of the concession. The Gaming Operator deducts the fees paid by the Gaming Operator to the Macau government as costs of operation pursuant to the terms of the Studio City Casino Agreement.

The land concession contract has a term of 25 years commencing on October 2001 and is renewable for further consecutive periods of ten years, subject to applicable legislation in Macau. Under the land concession contract, the Macau government may exercise its termination rights under certain conditions.

Prior to our completion of the Phase 2 development, land use fees of approximately MOP3.9 million (equivalent to approximately US\$486,611) per annum were payable to the Macau government. The annual land use fees payable to the Macau government following our completion of the Phase 2 development are MOP9.1 million (equivalent to approximately US\$1.1 million). The amounts may be adjusted every five years using the applicable rates in effect at the time of the rent adjustment.

Certain gaming and gaming support equipment utilized at the Studio City Casino on or before December 31, 2022 is owned by the Macau SAR and has been transferred to the Gaming Operator and held for the Gaming Operator at Studio City Casino during the duration of the Concession Contract, including the main gaming equipment to support the Gaming Operator’s table games and gaming machines operations, cage equipment, security and surveillance equipment, casino fittings and equipment. The Gaming Operator owns the remaining gaming and gaming support equipment utilized at the Studio City Casino and we own the equipment utilized in the Studio City Hotel.

Properties

Apart from the property site for Studio City, we do not own or lease any other properties.

Intellectual Property

As part of our branding strategy, we have applied for or registered a number of trademarks (including “Studio City” trademarks) in Macau, Hong Kong and other jurisdictions for use in connection with Studio City. Where possible, we intend to continue to register trademarks as we develop, review and implement our branding strategy for Studio City. However, our current and any future trademarks are subject to expiration and we cannot guarantee that we will be able to renew all of them upon expiration.

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Our trademarks and other intellectual property rights distinguish our services and products from those of our competitors and contribute to our ability to compete in our target markets. To protect our intellectual property, we rely on a combination of trademark, copyright and trade secret laws. To protect our intellectual property rights, we monitor any infringement or misappropriation of our intellectual property rights, and staff working at Studio City are generally subject to confidentiality obligations. For our license agreements that are required for our operations, see “Item 5. Operating and Financial Review and Prospects — C. Research and Development, Patents and Licenses, etc.”

Insurance

We maintain and benefit from, and expect to continue to maintain and benefit from, insurance of the types and in amounts that are customary in the industry and which we believe will reasonably protect our interests. This includes commercial general liability (including product liability and accidental pollution liability), automobile liability, workers compensation, property damage and machinery breakdown, cybersecurity and business interruption insurances. We also require certain contractors who may perform work on Studio City, as well as other vendors, to maintain certain insurances. In each case, all such insurances are subject to various caps on liability, both on a per claim and aggregate basis, as well as certain deductibles and other terms and conditions. We do not maintain key-man life insurance. See “Item 3. Key Information — D. Risk Factors — Risks Relating to Our Business — We may not have sufficient insurance coverage.”

Environmental Matters

We are committed to environmental awareness and have developed built-in innovative and energy saving green technologies for operations at Studio City. Currently, we are not aware of any material environmental complaints having been made against us.

Our Internal Control Policies

We have adopted our own governance policies and internal control measures in order to achieve operations in a professional manner in compliance with our, and Melco Resorts’, internal control requirements and applicable laws.

The FCPA and Macau laws prohibit us and the staff and agents participating in the operations in Studio City from offering or giving money or any other item of value to win or retain business or to influence any act or decision of any government official. Our Code of Business Conduct and Ethics, or the Code, includes provisions relating to compliance of all applicable anti-corruption laws including FCPA and the relevant Macau laws. Our Ethical Business Practices Program covers our approach to avoid corruption in both public and private sectors. It also covers the activities of our shareholders (to the extent they act or take actions on our behalf), directors, officers, employees and dedicated staff members performing services solely at Studio City.

Studio City Casino is managed and operated by the Gaming Operator guided by requirements under the Concession Contract and applicable laws and Melco Resorts’ governance policies, including a set of anti-money laundering policies and procedures, or AML Policy, approved by the DICJ, addressing requirements issued by the DICJ and the DICJ’s instructions on anti-money laundering, counter-terrorist financing and other applicable laws and regulations in Macau.

There are training programs in place with the aim that all relevant staff involved in gaming operations managed by the Gaming Operator understand such AML Policy and the related procedures. The Gaming Operator also uses an integrated IT system to track and automatically generate significant cash transaction reports and, if permitted by the DICJ and the Finance Information Bureau, has the capability to submit those reports electronically.

Regulations

Gaming Operation Regulations

The ownership and operation of casino gaming facilities in Macau are subject to the general civil and commercial laws and specific gaming laws, in particular, Law no. 16/2001, as amended in June 2022 pursuant to Law no. 7/2022, or the Macau Gaming Operations Law. Macau's gaming operations are also subject to the grant of a concession by, and regulatory control of, the Macau government. See “— The Gaming Operator's Concession” below for more details.

The DICJ is the supervisory authority and regulator of the gaming industry in Macau. The core functions of the DICJ are:

- to collaborate in the definition of gaming policies;
- to supervise and monitor the activities of the concessionaires;
- to investigate and monitor the continuing suitability and financial capacity requirements of concessionaires and gaming promoters;
- to issue licenses to gaming promoters;
- to license and certify gaming equipment; and
- to issue directives and recommend practices with respect to the ordinary operation of casinos.

Below are the main features of the Macau Gaming Operations Law, including amended provisions, as supplemented by Administrative Regulation no. 26/2001 (as amended in July 2022 pursuant to Administrative Regulation no. 28/2022), that are currently applicable to our business.

- If the Gaming Operator breaches the Macau Gaming Operations Law, its Concession Contract could be limited, conditioned, suspended or revoked, subject to compliance with certain statutory and regulatory procedures. In addition, the Gaming Operator, and the persons involved, could be subject to substantial fines for each separate breach of Macau Gaming Operations Law or of the Concession Contract at the discretion of the Macau government. Further, if the Gaming Operator terminates or suspends the operation of all or a part of its gaming operations without permission for reasons not due to *force majeure*, or in the event of serious disruptions or deficiencies in its organization and operation or in the general condition of its facilities and equipment which may affect the normal operation of our gaming business, the Macau government would be entitled to replace the Gaming Operator during such disruption and to ensure the continued operation of the gaming business. Under such circumstances, the Gaming Operator would bear the expenses required for maintaining the normal operation of the gaming business.
- The Macau government also has the power to supervise concessionaires in order to assure financial stability and capability. See “— The Gaming Operator's Concession — The Concession Contract in Macau.”
- Any person who fails or refuses to apply for a finding of suitability after being ordered to do so by the Macau government may be found unsuitable. Any shareholder of a concessionaire holding shares equal to or in excess of 5% of such concessionaire's share capital who is found unsuitable will be required to dispose of such shares by a certain time (the transfer itself being subject to the Macau government's authorization). If a disposal has not taken place by the time so designated, such shares must be acquired by the concessionaire. The Gaming Operator may be subject to administrative sanctions if, after it receives notice that a person is unsuitable to be a shareholder or to have any other relationship with it, the Gaming Operator:
 - pays that person any dividend or interest upon its shares;
 - allows that person to exercise, directly or indirectly, any voting right conferred through shares held by that person;

- pays remuneration in any form to that person for services rendered or otherwise; or
- fails to pursue all lawful efforts to require that unsuitable person to relinquish his or her shares.
- The Macau government also requires prior approval for the creation of a lien over shares or gaming equipment and utensils of a concession holder.
- The Macau government must give its prior approval to changes in control through a merger, consolidation, shares acquisition, or any act or conduct by any person whereby such person obtains control. Entities seeking to acquire control of a concessionaire must satisfy the Macau government with regards to a variety of stringent standards prior to assuming control. The Macau government may also require controlling shareholders, directors and key employees, to be investigated for suitability as part of the approval process of the transaction.
- The maximum number of gaming concessions is six.
- The term of a gaming concession is set in the concession contract and cannot exceed 10 years but the Chief Executive of Macau may exceptionally authorize, based on justified reasons, one or more extensions of the term of the concession up to the total period of three years.
- The concessionaires' general contractual compliance is subject to review by the DICJ every three years. In the event that the results of the review reveal non-compliance or lack of proactiveness in complying with the concession contracts, concessionaires should improve compliance within the deadline determined by the Secretary for Economy and Finance.
- The concessionaires registered share capital shall not be less than MOP5 billion (equivalent to approximately US\$623.9 million) and during the term of the concession their net assets shall not be less than such amount. The concessionaires must mandatorily notify the Chief Executive of Macau prior to executing large financial initiatives, which are defined as those with a value greater than MOP2.5 billion (equivalent to approximately US\$311.9 million) regarding internal movement of funds and MOP500 million (equivalent to approximately US\$62.4 million) regarding salaries, remunerations, benefits of employees, and any other financial decisions.
- The main objectives of the gaming law are, amongst others, safeguarding of national and Macau security, adequate diversification and sustainable development of the Macau economy, assurance that the development and operation of games of chance in casinos are in line with Macau's policies and mechanisms in respect of combating the illegal flow of cross-border capital and preventing money laundering, and the scale, operation and practice of games of chance in casinos are subject to legal restrictions. A concession may be terminated if it poses a threat to national security or that of Macau.
- The operation of games of chance in casinos is limited to the locations and premises authorized by the Chief Executive of Macau with such authorization having to take into account, amongst others, Macau urban planning, its impact on the social community and the opinion of the Specialized Committee for the Games of Chance Sector.
- The concessionaires undertake to operate games of chance in self owned premises or premises leased or otherwise granted a right to use by the Macau government. Premises owned by a concessionaire will revert to the Macau government without compensation upon the concession expiration or earlier termination. The concessionaires may continue to operate games of chance in casinos in properties that are not owned by them for a period of three years from January 1, 2023 under authorization of the Chief Executive of Macau. After the end of such three-year transition period the concessionaires may only continue to operate games of chance in casino in properties that are not owned by them by engaging a managing company, such engagement to be subject to the Chief Executive of Macau's approval. If such locations are closed pursuant to the law or the concession contracts, new operation of games of chance in casino will not be permitted in such locations. The Macau government owns the Studio City Casino gaming and gaming support areas, and the Macau government has transferred these areas to the Gaming Operator for usage in its operations during the duration of the concession for a fee

of MOP750.00 (equivalent to approximately US\$94) per square meter for years 1 to 3 of the Concession Contract, subject to consumer price index increase in years 2 and 3 of the concession. The fee will increase to MOP2,500.00 (equivalent to approximately US\$312) per square meter for years 4 to 10 of the concession, subject to consumer price index increase in years 5 to 10 of the concession.

- The concessionaires shall assume certain corporate social responsibilities, including support for the development of local small and medium-sized enterprises; support the diversification of local industries, guaranteeing labor rights and interests, namely those concerning the guarantee of labor credits, on-the-job training and professional advancement of local employees, as well as a pension scheme designed to protect employees; hiring disabled or rehabilitated individuals; support for public interest activities; support for activities of an educational, scientific and technological, environmental protection, cultural and sporting nature, among others.
- The concessionaires and the shareholders holding 5% or more of their registered share capital shall not hold directly any capital of another concessionaire for the operation of games of chance in casinos in Macau, and shall not hold indirectly 5% or more of its registered share capital.
- Management companies are entities that have management powers over all or some casinos from one concessionaire and are subject to suitability reviews at DICJ's discretion. The execution of a contract between a concessionaire and a managing company pursuant to which the company assumes or may assume management powers relating to the concessionaire is prohibited and any such contract will be deemed null and void. Notwithstanding, the Chief Executive of Macau may authorize and approve the engagement of a management company by a concessionaire provided that under such engagement, a concessionaire may only pay to the managing company management fees, with casino revenue sharing or payment of commissions not being permitted by any means. Members of the corporate bodies of a management company may not be members of a corporate body of a concessionaire or gaming promoter.
- The concessionaires must have a managing-director who is a Macau permanent resident and holds at least 15% of the registered share capital of the concessionaire.
- The concessionaires are subject to the payment of an annual premium established in the concession contracts, which varies depending on the number of casinos that each concessionaire is authorized to operate, the number of authorized gaming tables and gaming machines, the type of games of chance operated, the location of the casinos, and other relevant criteria set by the Macau government.
- If the average gross gaming revenue of the gaming tables or gaming machines does not reach a set minimum limit, the concessionaire must pay a special premium, in an amount equal to the difference between the amount of the special tax on gaming, calculated according to the average gross gaming revenue, and such minimum limit. The average gross revenue is calculated according to the maximum number of gaming tables and gaming machines authorized for the concessionaire in the year to which it relates, with the exception of the number of gaming tables and gaming machines authorized to operate provisionally during the period designated for such purpose. The annual minimum limit of the gross gaming revenue of each gaming table and each gaming machine, as well as the period designated for the provisional operation of gaming tables and gaming machines, are determined by dispatch from the Chief Executive of Macau. The annual minimum limit of the gross gaming revenue must be set out in view of the past gross gaming revenue of Macau and the current situation of the economic development of Macau, and may be adjusted exceptionally in case of extraordinary, unpredictable or force majeure incidents, and is currently in the amount of MOP7 million (equivalent to approximately US\$873,404) annual gross gaming revenue for gaming tables and MOP300,000 (equivalent to approximately US\$37,432) annual gross gaming revenue for gaming machines.
- With respect to the gaming promotion activities, the concessionaires must inform the DICJ of any facts that may affect the solvency of gaming promoters, including the fact that they have been named as defendants in civil proceedings or have entered into loan or financing agreements that exceed their

solvency, within a period of five days counted from the date of occurrence of the respective facts or the concessionaires' knowledge thereof; inform the DICJ of facts that indicate the practice, by gaming promoters, of crimes and administrative offenses provided for in the law, within five days from the date of the concessionaires' knowledge thereof, without prejudice to duties provided in other laws; supervise the activity of the gaming promoters, including their fulfillment of the duties provided in gaming laws and regulations; and adopt appropriate measures to prevent gaming promoters from conducting illegal activities in the casinos of the concessionaires.

- Each gaming promoter can only conduct gaming promotion activities with one concessionaire and may only receive a commission, not being a gaming promoter permitted to share with the concessionaires, in any form whatsoever, the casino revenue.
- The concessionaires are jointly and severally liable for administrative fines and civil liability arising from the exercise in their casinos of the authorized gaming promotion activity by gaming promoters, their directors and key employees, as well as their collaborators. Such joint and several liability may be excluded when it is proved that the concessionaire has responsibly fulfilled its supervision duty.
- The maximum number of gaming tables and gaming machines that may be operated by the concessionaires is determined by dispatch from the Chief Executive of Macau and the gaming tables and gaming machines to be installed, added or reduced in each casino by the concessionaires is subject to authorization of the Secretary for Economy and Finance. The Secretary for Economy and Finance may reduce the number of gaming tables or gaming machines if the gross gaming revenue from gaming tables or gaming machines fails, for two consecutive years, to reach the minimum limit of the annual gross revenue determined by dispatch from the Chief Executive of Macau or if the authorized gaming tables or gaming machines are not fully utilized without just cause, by the concessionaires, within the deadline set out by the Secretary for Economy and Finance. Currently the maximum number of gaming tables that may be operated in Macau is 6,000 and the maximum number of gaming machines is 12,000 and the Gaming Operator has been authorized to operate 750 gaming tables and 2,100 gaming machines.
- The circulation of chips is subject to authorization from the Secretary for Economy and Finance, which may establish the maximum limit of the total amount of chips in circulation.
- The concessionaires can only disseminate information or activities related to gaming in the zones for games of changes of the casinos, under the applicable laws and regulations.
- The concessionaires and the companies of which they are dominant shareholders cannot be admitted to listing on stock exchanges.
- An administrative sanctions regime is established with fines ranging from MOP100,000 (equivalent to approximately US\$12,477) and MOP5,000,000 (equivalent to approximately US\$623,860) and, depending on the seriousness of the offense, damages, fault, benefits obtained, economic situation and previous conduct, a supplemental penalty of total or partial closure of gaming areas for periods ranging from one month to one year.
- In the event of dissolution of a current concessionaire for failing to obtain a new concession in the next tender, the shareholders of the concessionaire holding 5% or more of the concessionaire's share capital as of the date of termination of the concession contract or the date of termination of the concession are jointly and severally liable for the concessionaire's outstanding chips.

Non-compliance with these obligations could lead to the revocation of the Gaming Operator's Concession Contract and could materially and adversely affect gaming operations at the Studio City Casino.

The Macau government has also enacted other gaming legislation, rules and policies. Further, it imposed policies, regulations and restrictions that affect the minimum age required for entrance into casinos in Macau, location requirements for sites with gaming machine lounges, supply and requirements of gaming

machines, equipment and systems, instructions on promoting responsible gambling, restrictions on the reallocation of gaming tables between properties and other matters. In addition, the Macau government may consider enacting new regulations that may adversely affect the gaming operations at the Studio City Casino. The Gaming Operator's inability to address the requirements or restrictions imposed by the Macau government under such legislation or rules could adversely affect the gaming operations at the Studio City Casino.

Gaming Activities Regulations

Macau Law no. 16/2022 regulates, among other things, the exercise of the gaming promotion activity. Such activity is subject to a gaming promoter license. Licenses are subject to annual renewal and a list of licensed gaming promoters is published in the DICJ's website and is subject to regular updates. The issuance, renewal and cancellation of gaming promoter licenses are the responsibility of the Secretary for Economy and Finance, who also determines the maximum annual number of gaming promoters which each concessionaire may engage as published on the DICJ's website.

The granting or renewal of a gaming promoter license may be requested by a commercial company that fulfills certain cumulative requirements, such as having its registered office in Macau, being a limited liability company by shares with the activity of gaming promotion as its exclusive business purpose, having a registered capital of not less than MOP10 million (equivalent to approximately US\$1.2 million) fully paid up in cash, and net assets of not less than such amount during the license period, having as shareholders individuals only, having 50% or more of its registered capital being held by permanent residents of Macau who have completed 21 years of age, having agreed with one concessionaire the provision of gaming promotion services to the same, having provided a security deposit, not having any debts or fines imposed for breach of legal provisions relating to gaming under tax enforcement proceedings, having adequate financial capacity, not having the company and its shareholders, directors and key employees been declared insolvent or bankrupt, nor being responsible for debts arising from the insolvency or bankruptcy of third parties, and the company and its shareholders, directors and key employees being deemed suitable.

Each gaming promoter can only conduct the gaming promotion activity with one concessionaire, and only for a commission. Gaming promoters are prohibited from resorting to the support of entities that are not their directors, employees or collaborators, in the exercise of the gaming promotion activity; from sharing, by any means, the revenues from the casinos with the concessionaire; from making, through the sharing of revenues from the casinos, the payment of commissions to any entity with which it cooperates; from cooperating with those who are prohibited from carrying out the activity of gaming promotion or of collaborator; and from depositing, by themselves or through third parties, chips or funds from third parties. The DICJ and the Macau Financial Services Bureau monitor each gaming promoter and its staff and collaborators. In October 2015, the DICJ issued specific accounting related instructions applicable to gaming promoters and their operations. Any failure by the gaming promoters to comply with such instructions may impact their license and ability to operate in Macau.

In addition, concessionaires are jointly and severally liable for administrative fines and civil liability arising from the exercise in their casinos of the authorized gaming promotion activity by gaming promoters, their directors and key employees, as well as their collaborators. Such joint and several liability may be excluded when it is proved that the concessionaire has responsibly fulfilled its supervision duty. Law no. 16/2022 also clarified that under Macau Administrative Regulation no. 6/2002 concessionaires may only be jointly and severally liable for the acceptance, in their casinos, of the deposit of funds or chips from third parties, by gaming promoters, their directors and their collaborators, as well as by the employees of the gaming promoters who exercise duties in the casinos, if such funds or chips were used in games of chance in their casino or were earned in these games. When assessing whether the funds or chips deposited were used in games of chance in casino or were earned in these games, the law provides that it shall be taken into account, in particular, the concessionaire's records.

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Furthermore, gaming promoters, including their shareholders, directors, and key employees, are subject to verification of suitability based on criteria such as reputation, tendency to take on excessive risks in view of how they usually conduct business or the nature of their professional activities, their economic and financial situation, existence of well-founded suspicions on the legality of the origin of the funds to be used in the gaming promotion activity or regarding the true identity of the holder of such funds, existence of improper transactions with criminal groups, and indictment or conviction for crime punishable by imprisonment of three years or more.

In addition to the licensing and suitability assessment process performed by the DICJ, all of the Gaming Operator's gaming promoters (if any) undergo thorough vetting procedures by the Gaming Operator. The Gaming Operator conducts background checks and also conducts periodic reviews of the activities of each gaming promoter (if any), its employees and its collaborators for possible non-compliance with Macau legal and regulatory requirements. Such reviews generally include investigations into compliance with applicable anti-money laundering laws and regulations as well as tax withholding requirements.

Concessionaires are required to report periodically on commissions paid to their gaming promoters. A 5% tax must be withheld on commissions paid by a concessionaire to its gaming promoters. Under Law no. 16/2022 and in accordance with the Secretary for Economy and Finance Dispatch no. 90/2022, a commission cap of 1.25% of net rolling has been in effect. Any advantages or liberalities offered or provided, in Macau or abroad, directly or indirectly, to the gaming promoter by the concessionaire, a company in which the concessionaire holds participation, or others with which the concessionaire is in a group relationship, shall be considered and calculated as commission and be within such commission cap. The commission cap regulations impose fines, ranging from MOP2,000,000 (equivalent to approximately US\$249,544) up to MOP5,000,000 (equivalent to approximately US\$623,860) on concessionaires that do not comply with the cap and other fines, ranging from MOP600,000 (equivalent to approximately US\$74,863) up to MOP1,500,000 (equivalent to approximately US\$187,158) on concessionaires that do not comply with their reporting obligations regarding commission payments. If breached by the concessionaire, the legislation on commission caps has a sanction enabling the relevant government authority to determine the closure, in whole or in part, of the areas for games of chance, for a period of one month to one year, and/or to make public a government decision imposing a fine on a concessionaire, by publishing such decision on the DICJ website and in two Macau newspapers (in Chinese and Portuguese respectively). We believe the Gaming Operator has implemented the necessary internal control systems to ensure compliance with the commission cap and reporting obligations in accordance with applicable rules and regulations.

Pursuant to Instruction no. 4/2024 issued by the DICJ which came into effect on July 11, 2024, the 1.25% of net rolling commission cap set in the Dispatch no. 90/2022 from the Secretary of Economy and Finance also applies to incentives granted by gaming operators to patrons. Accordingly, any incentives granted to patrons, including but not limited to complimentary rooms, promotional chips, food and beverage benefits, and other perks, must be considered and fall within the commission cap. Further, incentives must be directly derived from the patron's gaming activity, and their effective value shall not exceed the commission ceiling. Breaches of the commission cap in relation to patrons are subject to the same penalties provided under the commission cap regulations for breaches involving gaming promoters.

The exercise of the activity of collaborators and managing companies is also governed under Macau Law no. 16/2022. Collaborators, managing companies, as well as managing companies' shareholders holding an amount equal to or greater than 5% of their registered capital, directors, and key employees are subject to suitability assessment process performed by the DICJ.

The issuance and renewal of the authorization of collaborator are the responsibility of the DICJ and may be requested by those who fulfill certain requirements, including having completed 21 years of age, being deemed suitable, having agreed to collaborate with, at least, one gaming promoter, and having provided a security deposit. The maximum annual total number of collaborators is set out by the DICJ and published on its website. Collaborators shall not perform operations of credit concession for gaming or betting in casino, on behalf of any person, and shall be prohibited from depositing, by itself or through third parties, chips or funds from third parties.

A concessionaire that intends to engage a managing company to provide casino management services must obtain authorization from the Chief Executive of Macau and submit the draft management agreement for approval. The business purpose of the managing company is limited to the management of the concessionaires' casinos. A managing company can only enter into a managing agreement with one concessionaire, and can only receive management fees from the concessionaire, with casino revenue sharing or payment of commissions not being permitted. Managing companies are prohibited from managing the financial activities of casinos, including in matters of accounting or settlement of chips and gaming funds, as well as from depositing, by themselves or through third parties, chips or funds from third parties.

Macau Law no. 16/2022 further established the crime of unlawful deposit and the crime of disobedience. The crime of unlawful deposit is applicable to concessionaires, gaming promoters or managing companies, their directors or representatives, or persons under their authority, in the exercise of their duties, or collaborators, in the exercise of their activity, who deposit funds from third parties not intended for gaming, and is punishable by imprisonment from 2 to 5 years in case of individuals, or fines up to MOP18 million (equivalent to approximately US\$2.2 million) or judicial dissolution in case of legal persons. The crime of disobedience is applicable to whoever refuses to fulfill the access and presence of the DICJ and Macau Financial Services Bureau supervisory personnel in the areas subject to supervision until the conclusion of the supervisory action, or the presentation or provision of the documents, data and assets required under the terms of the law by the supervisory personnel, or to whoever does not comply with the measure of preventive suspension of activity, with individuals being subject to imprisonment from 1 to 2 years and legal persons being punishable by fines up to MOP9 million (equivalent to approximately US\$1.1 million) or judicial dissolution. In addition to such penalties, certain accessory penalties may be applied, including closure of gaming areas, prohibition of the exercise of the activity of gaming promotion, collaborator or management of casinos, for a period of 1 month to 2 years, interdiction on applying for a gaming promoter license or collaborator authorization for a period of 1 to 2 years, judicial injunction or publication of the decision in two Macau newspapers (in Chinese and Portuguese, respectively) and through public notice.

Gaming Credit Regulations

Macau Law no. 7/2024, which came into effect on August 1, 2024, and replaced the previous Gaming Credit Regulation (Macau Law no. 5/2004), regulates the granting of credit for gaming activities in Macau. This law defines gaming credit granting as the transfer of casino gaming chips by concessionaires to patrons without immediate payment. Only gaming concessionaires can grant gaming credit, and they cannot delegate this activity to other entities. In particular, the new law restricts the role of gaming promoters to acting solely as agents of concessionaires in credit granting activities, eliminating their previous ability to extend credit independently. However, concessionaires can enter into representation contracts with gaming promoters, allowing them to perform legal acts related to credit granting on behalf of and in the interest of the concessionaire. The law also mandates that concessionaires implement a credit risk management system, conduct credit assessments of patrons, and ensure compliance with these duties by gaming promoters.

Members of concessionaires' corporate bodies and employees must perform their duties with integrity and in accordance with laws and professional conduct rules. Confidentiality regarding credit activities and relationships must be maintained, except under specific circumstances. The DICJ oversees compliance, and concessionaires must cooperate with inspections and provide necessary documents and information. Administrative penalties for violations include fines, suspension of credit granting activities, and public disclosure of sanctions. The law also allows the DICJ to process personal data necessary for enforcing the law and grants DICJ personnel public authority powers to request assistance from police and administrative authorities during inspections.

Illegal Gambling Crimes Regulations

Macau Law no. 20/2024, which came into effect on October 29, 2024, establishes the legal framework for combating illegal gaming crimes and replaced the previous Illegal Gaming Law (Law no. 8/96/M). This law clarifies that illegal gaming crimes include side betting activities and increased the penalties applicable to illegal gaming crimes, with imprisonment of up to eight years and fines calculated in days, with each day corresponding to an amount between MOP250 (equivalent to approximately US\$31) and MOP15,000 (equivalent to approximately US\$1,872). It prohibits the operation, promotion, and organization of online gaming in Macau, even if the servers or IT equipment are located outside Macau. The law also introduces several measures to enhance investigations, such as the use of undercover agents and the protection of informants' identities.

In addition to natural persons, legal entities are also subject to this law and may face penalties including judicial dissolution or daily fines ranging from MOP250 (equivalent to approximately US\$31) to MOP15,000 (equivalent to approximately US\$1,872) for a period of 100 to 1,200 days (i.e., up to MOP18,000,000 (equivalent to approximately US\$2.2 million)). Representatives of legal entities may be jointly and severally responsible for paying such fines. Other sanctions include prohibition from attending certain establishments, prohibition or suspension from exercising certain professions or activities, deportation or prohibition from entering Macau for non-residents, and prohibition from entering casinos.

The law addresses gaming related crimes such as illegal granting of credit for gaming, fraudulent gaming, falsification of gaming chips, the operation of illegal currency exchange for gaming purposes, or the illegal operation of *mah-jong* games. It grants the DICJ the authority to oversee compliance and apply penalties, including the ability to request assistance from police and administrative authorities.

Access to Casinos and Gaming Areas Regulations

Under Law no. 10/2012, as amended pursuant to Law no. 17/2018, the minimum age required for entrance into casinos in Macau is 21 years of age. The director of the DICJ may authorize employees under 21 years of age to temporarily enter casinos or gaming areas, after considering their special technical qualifications. In addition, off-duty gaming related employees of concessionaires and gaming promoters may not, starting from December 2019, access any casinos or gaming areas, except during the Chinese New Year festive season or under specific circumstances.

Smoking Regulations

Under the Smoking Prevention and Tobacco Control Law, as amended pursuant to Law no. 9/2017, smoking on casino premises is only permitted in authorized segregated smoking lounges with no gaming activities and such smoking lounges are required to meet certain standards determined by the Macau government.

Anti-Money Laundering and Terrorism Financing Regulations

In conjunction with current gaming laws and regulations, the Gaming Operator is required to comply with the laws and regulations relating to anti-money laundering activities in Macau. Law no. 2/2006 (as amended pursuant to Law no. 3/2017), the Administrative Regulation no. 7/2006 (as amended pursuant to Administrative Regulation no. 17/2017) and the DICJ Instruction no. 1/2016 in effect from May 13, 2016 (as amended pursuant to DICJ Instruction no. 1/2019), govern the Gaming Operator's compliance requirements with respect to identifying, reporting and preventing anti-money laundering and terrorism financing crimes at its casinos in Macau. Under these laws and regulations, the Gaming Operator is required to:

- implement internal procedures and rules governing the prevention of anti-money laundering and terrorism financing crimes which are subject to prior approval from DICJ;
- identify and evaluate the money laundering and terrorism financing risk inherent to gaming activities;

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- identify any customer who is in a stable business relationship with the Gaming Operator, who is a politically exposed person or any customer or transaction where there is a sign of money laundering or financing of terrorism or which involves significant sums of money in the context of the transaction, even if any sign of money laundering is absent;
- refuse to deal with any customers who fail to provide any information requested by the Gaming Operator;
- keep records on the identification of a customer for a period of five years;
- establish a regime for electronic transfers;
- keep individual records of all transactions related to gaming which involve credit securities;
- keep records of all electronic transactions for amounts equal to or exceeding MOP8,000 (equivalent to approximately US\$998) in cases of occasional transactions and MOP120,000 (equivalent to approximately US\$14,973) in cases of transactions that arose in the context of a continuous business relationship;
- notify the Macau Finance Information Bureau if there is any sign of money laundering or financing of terrorism;
- adopt as compliance function and appoint compliance officers; and
- cooperate with the Macau government by providing all required information and documentation requested in relation to anti-money laundering activities.

Under Article 2 of Administrative Regulation no. 7/2006 (as amended pursuant to Administrative Regulation no. 17/2017) and the DICJ Instruction no. 1/2016 (as amended pursuant to DICJ Instruction no. 1/2019), the Gaming Operator is required to track and report transactions and granting of credit that are of MOP500,000 (equivalent to approximately US\$62,386) or above. Pursuant to the legal requirements above, if the customer provides all required information, after submitting the reports, the Gaming Operator may continue to deal with those customers that were reported to the DICJ and, in case of suspicious transactions, to the Macau Finance Information Bureau.

The Gaming Operator employs internal controls and procedures designed to help ensure that its gaming and other operations are conducted in a professional manner and in compliance with internal control requirements issued by the DICJ set forth in its instruction on anti-money laundering, the applicable laws and regulations in Macau, as well as the requirements set forth in the Concession Contract.

The Gaming Operator has developed a comprehensive anti-money laundering policy and related procedures covering its anti-money laundering responsibilities, which have been approved by the DICJ, and has training programs in place to enable all relevant employees to understand such anti-money laundering policy and procedures. The Gaming Operator also uses an integrated IT system to track and automatically generate significant cash transaction reports and, as permitted by the DICJ and the Macau Finance Information Bureau, submit those reports electronically.

Responsible Gambling Regulations

On October 18, 2019, the DICJ issued Instruction no. 4/2019, which came into effect on December 27, 2019, setting out measures for the implementation of responsible gambling principles, which was amended by Instruction no. 3/2024 issued by the DICJ, which came into effect on May 28, 2024. Under this instruction, concessionaires are required to implement certain measures to promote responsible gambling, including making information available on the risks of gambling, responsible gambling and odds, both inside and outside the casinos and gaming areas and through electronic means; creation of information and counseling kiosks and a hotline; adequate regulation of lighting inside casinos and gaming areas; self-exclusion and exclusion at third

party request procedures, off-duty gaming related employees entry restriction procedures, physical entry requirements, preventive measures for restricted access by persons under 21 years of age; public exhibition of time; creation and training of teams and a coordinator responsible for promoting responsible gambling.

Law no. 16/2001, as amended in June 2022 pursuant to Law no. 7/2022, or the Macau Gaming Operations Law, also sets out responsible gambling obligations, including the obligation of the concessionaires to prepare a plan for the promotion of responsible gambling, as well as to adopt measures that allow the public, including tourists, to have sufficient information to assume a responsible, moderate and controlled posture towards gaming. These measures include providing players with information about responsible gambling behaviors, as well as about gaming dependency and addiction issues, including the information on responsible gambling; adequate measures to ensure the prohibition of entry into casinos of those to whom access is prohibited; information on the dissemination of the measure of interdiction of entry in casino upon request, as well as the means of submitting such request; creation of a specialized gaming group to provide adequate assistance and counseling services to those in need; and training and recycling actions on responsible gambling aimed at employees, as well as counseling services. Furthermore, the concessionaires must annually submit to the DICJ a report on the execution of the plan for the promotion of responsible gambling of such year, as well as a plan for the promotion of responsible gambling for the subsequent year.

Control of Cross-border Transportation of Cash Regulations

On June 12, 2017, Law no. 6/2017 with respect to the control of cross-border transportation of cash and other negotiable instruments to the bearer, was enacted. Such law came into effect on November 1, 2017. In accordance with such law, all individuals entering Macau with an amount in cash or negotiable instrument to the bearer equal to or higher than the amount determined by the order of the Chief Executive of Macau at MOP120,000 (equivalent to approximately US\$14,973) will be required to declare such amount to the customs authorities. The customs authorities may also request an individual exiting Macau to declare if such individual is carrying an amount in cash or negotiable instruments to the bearer equal to or higher to such amount. Individuals that fail to duly complete the required declaration may be subject to a fine (ranging from 1% to 5% of the amount that exceeds the amount determined by the order of the Chief Executive of Macau for declaration purposes, such fine being at least MOP1,000 (equivalent to approximately US\$125) and not exceeding MOP500,000 (equivalent to approximately US\$62,386)). In the event the relevant customs authorities find that the cash or negotiable instrument to the bearer carried by an individual while entering or exiting Macau may be associated with or result from any criminal activity, such incident shall be notified to the relevant criminal authorities and the relevant amounts shall be seized pending investigation. See “Item 3. Key Information — D. Risk Factors — Risks relating to Conducting Business and Operating in Macau — Studio City Casino’s operations could be adversely affected by foreign exchange restrictions on the Renminbi.”

Prevention and Suppression of Corruption in External Trade Regulations

In addition to the general criminal laws regarding corrupt practices in the public and private sector that are in force in Macau, on January 1, 2015, Law no. 10/2014, criminalizing corruption acts in external trade and providing for a system for prevention and suppression of such criminal acts came into effect in Macau. Our internal policies address this issue.

Asset Freezing Enforcement Regulations

On August 29, 2016, Law no. 6/2016 with respect to the framework for the enforcement of asset freezing orders, which comprised of United Nations Security Council sanctions resolutions for the fight against terrorism and proliferation of weapons of mass destruction, was enacted. Under this law, the Chief Executive of Macau is the competent authority to enforce freezing orders and the Asset Freeze Coordination Commission must assist the Chief Executive in all technical aspects of such enforcement. Among other entities, concessionaires are subject to certain obligations and duties regarding the freezing of assets ordered by the United Nations Security Council sanctions resolutions, including reporting and cooperation obligations.

Foreign Exchange Regulations

Concessionaires in Macau may be authorized to open foreign exchange counters at their casinos and gaming areas subject to compliance with the Foreign Exchange Agencies Constitution and Operation Law (Decree-Law no. 38/97/M), the Exchange Rate Regime (Decree-Law no. 39/97/M) and the specific requirements determined by the Monetary Authority of Macau. The transaction permitted to be performed in such counters is limited to buying and selling bank bills and coins in foreign currency, and to buying travelers checks.

Intellectual Property Rights Regulations

Our subsidiaries incorporated in Macau are subject to local intellectual property regulations. Intellectual property protection in Macau is supervised by the Intellectual Property Department of the Economic and Technological Development Bureau of the Macau government.

The applicable regime in Macau with regard to intellectual property rights is defined by two main laws. The Industrial Property Code (Decree-Law no. 97/99/M, as amended pursuant to Law no. 11/2001), covers (i) inventions meeting the patentability requirements; (ii) semiconductor topography products; (iii) trademarks; (iv) designations of origin and geographical indications; and (v) awards. The Regime of Copyright and Related Rights (Decree-Law no. 43/99/M, as amended by Law no. 5/2012), protects intellectual works and creations in the literary, scientific and artistic fields, by copyright and related rights. See “Item 3. Key Information — D. Risk Factors — Risks Relating to Our Business — The possible infringement of key intellectual property used in our business, the dissemination of proprietary information used in our business or the infringement or alleged infringement of intellectual property rights belonging to third parties could adversely affect our business.”

Personal Information Regulations

Processing of personal information by our subsidiaries in Macau is subject to compliance with the Personal Data Protection Act (Law no. 8/2005), and, in the case of the Gaming Operator, any instructions issued by DICJ from time to time. The Personal Data Protection Bureau, or DSPDP, is the regulatory authority in Macau specially in charge of supervising and enforcing the Personal Data Protection Act. The DSPDP, which is an official public department operating under the authority of the Chief Executive of Macau was established under the Administrative Regulation no. 42/2023, and, with effect from February 1, 2024, replaced the Office for Personal Data Protection which was the previous regulatory authority for personal data protection matters. Breaches are subject to civil liability, administrative and criminal sanctions.

The legal framework and the instructions issued by DICJ require that certain procedures must be adopted before collecting, processing and/or transferring personal information, including obtaining consent from the data subject and/or notifying or requesting authorization from the DSPDP and/or DICJ, as applicable, prior to processing personal information.

Cybersecurity Regulations

Law no. 13/2019, the Cybersecurity Law came into effect on December 21, 2019 and is intended to protect networks, systems and data of public and private operators of critical infra-structures, among which operators of games of chance in casino are included.

The cybersecurity system is composed of a Cybersecurity Commission, a Cybersecurity Alert and Response Incident Centre (“CARIC”) and cybersecurity supervisory entities.

Among other duties, private infrastructure operators are required to appoint a suitable and experienced person to be responsible for handling its cybersecurity and to be permanently reachable by CARIC, create a cybersecurity department, implement adequate internal cybersecurity procedures, conduct evaluations of its networks’ security and risks, submit annual reports to their supervisory entity and inform CARIC and the respective supervisory entity of any cybersecurity incidents.

Additional regulations have been enacted to further determine and detail how the above-mentioned obligations are to be fulfilled.

Labor Quotas Regulations

All businesses in Macau must apply to the Labor Affairs Bureau for labor quotas to import non-resident unskilled workers from mainland China and other regions or countries. Non-resident skilled workers are also subject to the issuance of a work permit by the Macau government, which is given individually on a case-by-case basis. Businesses are free to employ Macau residents in any position, as by definition all Macau residents have the right to work in Macau. Melco Resorts has, through its subsidiaries, two main groups of labor quotas in Macau, one to import non-skilled workers from mainland China and the other to import non-skilled workers from all other countries. The Gaming Operator is not currently allowed to hire non-Macau resident dealers and supervisors under the Macau government's policy.

Pursuant to Macau social security laws, Macau employers must register their employees under a mandatory social security fund and make social security contributions for each of its resident employees and pay a special duty for each of its non-resident employees on a quarterly basis. Employers must also buy insurance to cover employment accidents and occupational illnesses for all employees.

Minimum Salary Regulations

On April 27, 2020, Law no. 5/2020, with respect to minimum salary, was enacted. Such law came into effect on November 1, 2020. In accordance with such law, as amended pursuant to Law no. 19/2023, effective from January 1, 2024, the monthly minimum salary in Macau was MOP7,072 (equivalent to approximately US\$882) per month (excluding overtime, night and shift allowances and regular bonus related payments) until December 31, 2025. Such law was further amended pursuant to Law no. 14/2025, effective from January 1, 2026, establishing the monthly minimum salary in Macau as MOP7,280 (equivalent to approximately US\$908) per month (excluding overtime, night and shift allowances and regular bonus related payments). The minimum salary requirement applies to all workers in Macau, except domestic helpers and special needs workers.

Land Regulations

Land in Macau is legally divided into plots. In most cases, private interests in real property located in Macau are obtained through long-term leases from the Macau government.

Our subsidiary has entered into a land concession contract for the land on which the Studio City property is located. The contract has a term of 25 years and is renewable for further consecutive periods of ten years and imposes, among other conditions, a development period, a land premium payment, a nominal annual government land use fee, which may be adjusted every five years, and a guarantee deposit upon acceptance of the land lease terms, which are subject to adjustments from time to time in line with the amounts paid as annual land use fees.

The land is initially granted on a provisional basis and registered as such with the Macau Real Property Registry and only upon completion of the development is the land concession converted into definitive status and so registered with the Macau Real Property Registry.

Restrictions on Distribution of Profits Regulations

Our subsidiaries incorporated in Macau are required to set aside a minimum of 25% of the entity's profit after tax to the legal reserve until the balance of the legal reserve reaches a level equivalent to 50% of the entity's share capital in accordance with the provisions of the Macau Commercial Code. The legal reserve is not available for distribution to the shareholders of the subsidiaries. The appropriation of the legal reserve is recorded in the subsidiaries' financial statements in the year in which it is approved by the shareholders of the relevant subsidiaries.

As of December 31, 2025, the balance of the legal reserve amounted to US\$6,000.

Macau Tax Code

The new Macau Tax Code, approved by Law no. 24/2024, had the majority of its provisions take effect on January 1, 2026. This legislation aims to modernize and consolidate Macau's tax regulations, covering various aspects such as legal relationships, administrative procedures, judicial proceedings, and enforcement related to tax matters. Two key changes include the introduction of transfer pricing rules and a shift from a worldwide tax basis to a territorial basis. However, this shift excludes dividends, interest, royalties, and gains from disposal of properties earned outside Macau by multinational entities that qualify as tax residents in Macau which still fall within the scope of the complementary tax. The new Macau Tax Code also includes mechanisms for double taxation relief and promotes the use of electronic tax platforms to streamline administrative processes.

Investment Funds Regulations

A new investment funds law, approved by Law no. 11/2025, which establishes the regulatory framework for investment funds and fund management companies in Macau, came into effect on January 1, 2026. This law introduces a comprehensive regime governing the constitution, operation and supervision of public and private investment funds (except private pension funds), as well as the obligations of fund managers, custodians and distributors. Under this legislation, investment funds may only operate through structures expressly authorized or communicated to the Monetary Authority of Macau ("AMCM"), and are subject to requirements relating to governance, risk management, disclosure, segregation of assets, valuation and investor protection. Public funds are subject to prior authorization by the AMCM and to ongoing reporting, prudential and transparency obligations, including rules on the issuance, subscription, redemption and suspension of fund units. Private funds are subject to prior communication to the AMCM, are prohibited from conducting any public offering or solicitation and may only raise capital from qualifying investors in accordance with criteria defined by AMCM.

The AMCM issued Notice no. 022/2025-AMCM, effective January 1, 2026, setting out additional requirements applicable to private investment funds, including limitations on non-public placement activities, a maximum number of 200 Macau-based investors, and eligibility restrictions limiting participation to professional investors meeting defined financial thresholds or institutional qualifications. The law also establishes civil and administrative liabilities for breaches, including fines, supervisory measures, suspension of activities and potential dissolution of non-compliant entities.

FCPA

The FCPA prohibits us and our staff and agents from offering or giving money or any other item of value to win or retain business or to influence any act or decision of any foreign official. The Code includes specific FCPA-related provisions. See "— Our Internal Control Policies."

The Gaming Operator's Concession

The Concession Regime

The Macau government conducted an international tender process for gaming concessions in Macau in 2022, and granted six gaming concessions to SJM, MGM Grand Paradise, Galaxy, Venetian Macau, S.A., Wynn Macau and Melco Resorts Macau, respectively. Subconcessions are prohibited. Though there are no restrictions on the number of casinos or gaming areas that may be operated under each concession, Macau government approval is required for the commencement of operations of any casino or gaming area. Prior to the tendering process in 2022, the subconcessionaires that entered into subconcession contracts with Wynn Macau, SJM and Galaxy were Melco Resorts Macau, MGM Grand Paradise and Venetian Macau, S.A., respectively. The Gaming

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Operator executed the Subconcession Contract with Wynn Macau on September 8, 2006, which was extended until December 31, 2022 pursuant to the execution of an Amendment Agreement to the Subconcession Contract dated June 23, 2022, with Wynn Macau continuing to develop and run hotel operations and casino projects independent of the Gaming Operator. Upon the completion of the tender process for new concessions, the Gaming Operator was granted with a new gaming concession by the Macau government for a period of 10 years, effective from January 1, 2023 until December 31, 2032, and entered into the respective Concession Contract on December 16, 2022. On February 10, 2026, the Concession Contract was amended to reflect the ongoing operations of, among others, the Studio City Casino since January 1, 2026.

A summary of the key terms of the Concession Contract is as follows.

All concessionaires must pay a special gaming tax of 35% of gross gaming revenues, defined as all gaming revenues derived from casino or gaming areas, plus an annual gaming premium of:

- MOP30 million (equivalent to approximately US\$3.7 million) per annum fixed premium;
- MOP300,000 (equivalent to approximately US\$37,432) per annum per VIP gaming table;
- MOP150,000 (equivalent to approximately US\$18,716) per annum per mass market gaming table; and
- MOP1,000 (equivalent to approximately US\$125) per annum per electric or mechanical gaming

subject to a minimum annual payment of an amount required for the operation of 500 gaming tables and 1,000 electronic gaming machines.

A special premium may be due by the Gaming Operator in the event the average gross gaming revenue of the Gaming Operator's gaming tables does not reach the annual minimum of MOP7,000,000 (equivalent to approximately US\$873,404) and the average gross gaming revenue of the gaming machines does not reach the annual minimum of MOP300,000 (equivalent to approximately US\$37,432). The amount of the special premium is equivalent to the difference between the amount of the special gaming tax paid by the Gaming Operator and the amount that would be paid under the annual minimum set average gross gaming revenue for gaming tables and gaming machines.

The Concession Contract in Macau

The Concession Contract in Macau provides for the terms and conditions of the concession granted to the Gaming Operator with expiration on December 31, 2032. The Gaming Operator, pursuant to a legal restriction applicable to all concessionaires, does not have the right to grant a subconcession or transfer the operation to third parties.

On December 16, 2022, the Gaming Operator was granted the right to operate games of chance in casinos in Macau under a new gaming concession effective from January 1, 2023 until the expiration of the concession on December 31, 2032.

A summary of the key terms of the Concession Contract is as follows.

Gaming and Non-Gaming Investment Obligations. The Concession Contract requires the Gaming Operator to make a minimum investment in Macau of MOP11,823.7 million (equivalent to approximately US\$1.48 billion) The investment plan includes gaming and non-gaming related projects in the expansion of foreign market patrons, conventions and exhibitions, entertainment shows, sports events, art and culture, health and well-being, thematic entertainment, gastronomy, community and maritime tourism and others. Of the total investment amount referred to above, MOP10,008.0 million (equivalent to approximately US\$1.25 billion) will be applied to non-gaming related projects, with the balance applied to gaming related projects. The Gaming Operator has undertaken to carry out incremental additional non-gaming investment in the amount of

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approximately 20% of its initial non-gaming investment, or MOP2,003.0 million (equivalent to approximately US\$249.9 million), in the event Macau's annual gross gaming revenue reaches MOP180.0 billion (equivalent to approximately US\$22.46 billion) ("Incremental Investment Trigger"), which occurred in 2023.

If, after the completion of the execution of the investment plan under the Concession Contract, the total amount of expenses made by the concessionaire, directly or, with approval from the Macau government, indirectly, is lower than the global committed amount, the concessionaire undertakes to use the remaining amount on projects correlated to its activity to be designated by the concessionaire and accepted by the Macau government and/or on projects that are designated by the Macau government with significant public benefit to Macau.

During the implementation of the investment plan under the Concession Contract, the Macau government may request the concessionaire to provide any document or to amend the implementation of projects contained in the investment plans to ensure compliance with current technical norms or rules and the required quality standard. However, the Macau government shall not impose any amendment that may result in an increase of the global investment amount.

The execution of the investment plan under the Concession Contract is subject to the supervision of the Macau government, with the concessionaire being required to submit to the Macau government's approval on an annual basis the proposal for the execution of specific projects that it intends to execute in the subsequent year, which shall contain, at least, the content of such projects, the amount of the investment, and the deadline for execution. Furthermore, the concessionaire must submit to the Macau government on an annual basis a report on the execution, in the previous year, of the investment plan under the Concession Contract and of the approved proposal for the execution of the specific investment projects, which must contain, at least, an update on the execution of the specific investment projects, the invested amount, the deadline and the results of its execution. The concessionaire must also submit any other additional information as requested by the Macau government.

Payments. Concession premiums and taxes, computed in various ways depending upon the type of gaming or activity involved, are payable to the Macau government. The method for computing these fees and taxes may be changed from time to time by the Macau government. Depending upon the particular fee or tax involved, these fees and taxes are payable either monthly or annually and are based upon either a percentage of the gross revenues or the number and type of gaming devices operated. In addition to special gaming taxes of 35% of gross gaming revenues, the Gaming Operator is also required to contribute to the Macau government an annual amount equivalent to 2% of the gross gaming revenues to a public fund that has as purposes the promotion, development or study of cultural, social, economic, educational, scientific, academic and philanthropic actions. Furthermore, the Gaming Operator is also obligated to contribute to Macau an amount equivalent to 3% of the gross gaming revenues for urban development, tourism promotion and the social security of Macau. The Gaming Operator is required to collect and pay, through withholding, statutory taxes on commissions or other remunerations paid to gaming promoters.

Termination Rights. The Macau government has the right to unilaterally terminate the Gaming Operator's concession in the event of non-compliance by us with our basic obligations under the concession and applicable Macau laws. Upon termination, all of the Gaming Operator's casino premises and gaming equipment would revert or be transferred to the Macau government automatically without compensation to the Gaming Operator and the Gaming Operator would cease to generate any revenues from these operations. In many of these instances, the Concession Contract does not provide a specific cure period within which any such events may be cured and, instead, the Gaming Operator may be dependent on consultations and negotiations with the Macau government to give it an opportunity to remedy any such default. The Gaming Operator is not granted with explicit rights of veto, or of prior consultation. The Macau government may be able to unilaterally rescind the Concession Contract upon the following termination events:

- the operation of gaming without permission or operation of business which does not fall within the business scope of the concession;

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- abandonment of approved business or suspension of operations of our gaming business in Macau without reasonable grounds;
- transfer of all or part of the Gaming Operator's operation in Macau in violation of the relevant laws and administrative regulations governing the operation of games of chance in casino in Macau and without Macau government approval;
- failure to pay taxes, premiums, levies or other amounts payable to the Macau government;
- refusal or failure to resume operations following the temporary assumption of operations by the Macau government;
- repeated opposition to the supervision and inspection by the Macau government and failure to comply with decisions and recommendations of the Macau government, especially those of the DICJ, applicable to the Gaming Operator;
- failure to provide or supplement the guarantee deposit or the guarantees specified in the concession within the prescribed period;
- bankruptcy or insolvency of the Gaming Operator;
- fraudulent activity harming public interest;
- serious and repeated violation of the applicable rules for carrying out games of chance in casino or damage to the fairness of games of chance in casino;
- systematic non-compliance with the Macau Gaming Operations Law's or Concession Contract's obligations; or
- non-compliance with the investment amount and the respective criteria provided for in the Concession Contract, within the deadline set out by the Secretary for Economy and Finance.

In addition, the Macau government may, from the eighth year of the concession, redeem the concession by notice to the Gaming Operator at least one year in advance. Pursuant to such redemption, the Macau government would assume all rights and obligations of the Gaming Operator resulting from business legally and validly conducted by the Gaming Operator before the date of the redemption notice and the Gaming Operator would have a right to obtain reasonable and fair compensation under applicable Macau law.

Ownership and Capitalization. Set out below are the key terms in relation to ownership and capitalization under the Concession Contract:

- the registered share capital and net asset value of the Gaming Operator cannot be less than MOP5,000,000,000 (equivalent to approximately US\$623,859,974) and, to guarantee its performance of certain of its legal and contractual obligations, including labor obligations, the Gaming Operator must maintain a guarantee issued by a Macau SAR bank in favor of the Macau SAR in the amount of MOP1,000,000,000 (equivalent to approximately US\$124,771,995) until 180 days after the earlier of the expiration or termination of the concession;
- the managing director of the Gaming Operator must be a permanent resident of the Macau SAR and must hold at least 15% of the registered share capital of the Gaming Operator;
- any person who directly acquires voting rights in the Gaming Operator will be subject to authorization from the Macau government;
- the Gaming Operator will be required to take the necessary measures to ensure that any person who directly or indirectly acquires more than 5% of the shares in the Gaming Operator would be subject to authorization from the Macau government, except when such acquisition is wholly made through the shares of publicly-listed companies tradable at a stock exchange;

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- any person who directly or indirectly acquires more than 5% of the shares in the Gaming Operator will be required to report the acquisition to the Macau government (except when such acquisition is wholly made through shares tradable on a stock exchange as a publicly-listed company);
- the Macau government's prior approval would be required for any recapitalization plan of the Gaming Operator; and
- the Chief Executive of Macau could require the increase of the Gaming Operator's share capital, if deemed necessary.

Others. In addition, the Concession Contract contains various general covenants and obligations and other provisions, including special duties of cooperation, special duties of information, and execution of the Gaming Operator's investment obligations.

Transfers of property and credit rights of the Gaming Operator exceeding MOP100,000,000 (equivalent to approximately US\$12,477,199) and loan agreements or similar arrangements executed by the Gaming Operator as borrower or creditor equal to or exceeding that amount are each subject to approval by the Macau SAR government, except for those loan agreements related to credit granted for gaming purposes. The issue of debt securities by the Gaming Operator is also subject to approval by the Macau government and the concession prohibits the Gaming Operator from being listed on a stock exchange. The concession requires that prior notice be given to the Macau government of financial decisions relating to the internal movement of funds of the Gaming Operator exceeding 50% of its registered capital, financial decisions relating to salaries, remuneration or benefits of employees, among others, exceeding 10% of its registered capital and other financial decisions exceeding 10% of its registered capital.

The Concession Contract provides for the Gaming Operator's right to use the casino premises and related land for the purpose of operating games of chance under the Concession Contract during the term of the Concession Contract. On the termination or expiry of the Concession Contract, the casino premises operated by the concessionaire and the gaming equipment would revert or be transferred to the Macau SAR without compensation.

Taxation

We are domiciled in the Cayman Islands and our primary business operations are conducted through our subsidiaries. Under the current laws of the Cayman Islands, we are not subject to tax on income or capital gains. In addition, dividend payments are not subject to withholding tax in the Cayman Islands.

Hong Kong

Our subsidiaries incorporated in Hong Kong and certain of our subsidiaries incorporated in the British Virgin Islands are subject to Hong Kong profits tax on their taxable income earned in or derived from Hong Kong at a tax rate of 16.5%. Payments of dividends by our subsidiaries to us are not subject to withholding tax in Hong Kong.

Macau

Our subsidiaries incorporated in Macau are subject to Macau complementary tax of up to 12% on profits earned in or derived from their activities conducted in Macau.

In January 2017, the Macau government granted an extension of the Macau complementary tax exemption for our subsidiary, Studio City Entertainment, through 2021, on profits generated from income received from the Gaming Operator, to the extent that such income results from gaming operations within Studio City Casino and has been subject to gaming tax. Studio City Entertainment applied for an extension of the Macau

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complementary tax exemption for 2022 under the previous gaming subconcession and for the period of ten years from January 1, 2023 through December 31, 2032 under the Concession Contract. These applications are subject to the discretionary approval of the Macau government. The application of Studio City Entertainment for the 2023-2032 Macau Complementary Tax exemption was rejected in July 2024. Studio City Entertainment filed an objection with the Macau government, but such objection was denied in September 2024. Dividend distributions by Studio City Entertainment from income tax exempted profits and our non-gaming profits continue to be subject to Macau complementary tax. In September 2017, the Macau government granted Studio City Hotels the declaration of touristic utility purpose pursuant to which Studio City Hotels is entitled to a property tax holiday for a period of twelve years on the immovable property to which the touristic utility was granted, owned or operated by Studio City Hotels. Under such tax holiday, Studio City Hotels is allowed to double the maximum rates applicable to depreciation and reintegration for the purposes of assessment of the Macau complementary tax. In August 2021, the hotel license of Studio City Hotel was transferred from Studio City Hotels to Studio City Developments, the owner of the Studio City property. In July 2023, the Macau government granted the declaration of touristic utility purpose to Studio City Developments pursuant to which Studio City Developments is entitled to the property tax holiday and is allowed to double the maximum rates applicable to depreciation and reintegration for the purposes of assessment of the Macau complementary tax.

Certain jurisdictions in which we operate have enacted Pillar Two, which impose a global minimum effective tax rate of 15% and became effective on January 1, 2024. We are in scope of the enacted legislation and may be subject to Pillar Two top-up taxes in those jurisdictions to the extent the effective tax rate in any relevant jurisdiction, as calculated under such enacted legislation, falls below 15%.

C. ORGANIZATIONAL STRUCTURE

We are a Cayman Islands holding company for Studio City. Our operations are conducted by our subsidiaries. Investors may never directly hold equity interests in our operating subsidiaries.

The following diagram illustrates our organizational structure, including the place of formation, ownership interest and affiliation of our significant subsidiaries, as of March 6, 2026:

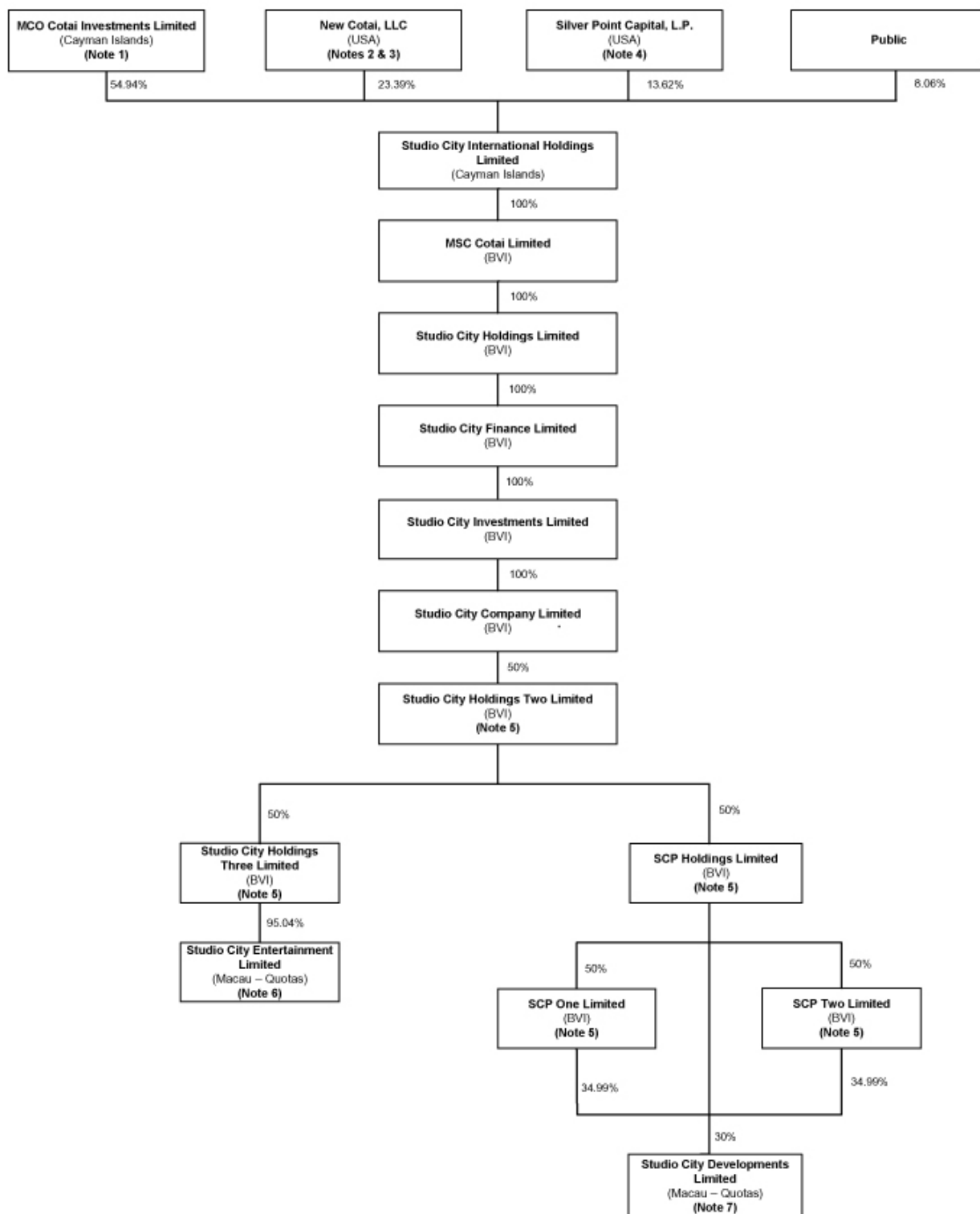


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Notes:

1. Includes 747,288 Class A ordinary shares held by Melco International. See “Item 7. Major Shareholders and Related Party Transactions — A. Major Shareholders.”
2. Reflects 124,596,560 Class A ordinary shares of our Company represented by ADSs as of December 31, 2025.
3. New Cotai also has a Participation Interest in MSC Cotai which represents its economic right to receive an amount equal to approximately 9.4% of the dividends, distributions or other consideration paid to the Company by MSC Cotai, if any, from time to time. New Cotai may exchange all or a portion of its Participation Interest for Class A ordinary shares, subject to certain conditions. See “Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Pre-IPO Organizational Transactions.” If New Cotai were to exercise its right to exchange all of the Participation Interest for Class A ordinary shares, New Cotai would receive 72,511,760 Class A ordinary shares and the corresponding number of Class B ordinary shares held by New Cotai would be surrendered and canceled.
4. Reflects 400 Class A ordinary shares of our Company and another 114,757,256 Class A ordinary shares of our Company represented by ADSs. Information regarding beneficial ownership is reported as of September 30, 2024 and is based on the information contained in the Schedule 13G/A filed by Silver Point Capital L.P. with the SEC on November 14, 2024.
5. The remaining 50% of the equity interests of these companies are owned by Studio City Holdings Five Limited, a wholly-owned subsidiary of the Company. The 50% interest held by Studio City Holdings Five Limited in various Studio City companies incorporated in the British Virgin Islands is non-voting.
6. 3.96% and 1% of the equity interests are owned by Studio City Holdings Four Limited and Studio City Holdings Five Limited, respectively.
7. 0.02% of the equity interests are owned by Studio City Holdings Five Limited.

See “Item 7. Major Shareholders and Related Party Transactions — A. Major Shareholders” for more information regarding the beneficial ownership in our Company and “Exhibit 8.1 — List of Significant Subsidiaries.”

D. PROPERTY, PLANT AND EQUIPMENT

See “Item 4. Information on the Company — B. Business Overview” and “Item 5. Operating and Financial Review and Prospects — E. Critical Accounting Estimates — Property and Equipment” for information regarding our material tangible property, plant and equipment.

ITEM 4A. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion should be read in conjunction with, and is qualified in its entirety by, the audited consolidated financial statements and the notes thereto in this annual report on Form 20-F. Certain statements in this “Operating and Financial Review and Prospects” are forward-looking statements. See “Special Note Regarding Forward-Looking Statements” regarding these statements.

Overview

We are a holding company and, through our subsidiaries, operate the non-gaming businesses of Studio City. Studio City Casino is operated by the Gaming Operator, one of the subsidiaries of Melco Resorts and a

holder of a gaming concession. Our future operating results are subject to significant business, economic, regulatory and competitive uncertainties and risks, many of which are beyond our control. See “Item 3. Key Information — D. Risk Factors — Risks Relating to Our Business.” For detailed information regarding our operations, see “Item 4. Information on the Company — B. Business Overview.”

A. OPERATING RESULTS

Operations

Our principal operating activities are the provision of services pursuant to a casino contract and the hospitality business in Macau. The Company monitors the operations and evaluates earnings by reviewing the assets and operations of Studio City as one operating segment. Accordingly, we do not present separate segment information in these operating results. As of December 31, 2025, 2024 and 2023, we operated in one geographical area, Macau, where we generated our revenue and where our long-lived assets were located.

Our operations in 2025 benefited from better performance in mass market operations leading to an increase in revenue from casino contract. According to the DSEC, visitor arrivals to Macau increased by 14.7% on a year-over-year basis in 2025 as compared to 2024 while, according to the DICJ, gross gaming revenues in Macau rose by 9.1% on a year-over-year basis in 2025.

Summary of Financial Results

For the year ended December 31, 2025, our total operating revenues were US\$694.6 million, an increase of 8.7% from US\$639.1 million of total operating revenues for the year ended December 31, 2024. Net loss attributable to Studio City International Holdings Limited for the year ended December 31, 2025 was US\$58.8 million, as compared to US\$96.7 million for the year ended December 31, 2024. The improvement was primarily attributable to better performance in mass market operations leading to an increase in revenue from casino contract.

	Year Ended December 31,		
	2025	2024	2023
	(in thousands of US\$)		
Total operating revenues	\$ 694,566	\$ 639,145	\$ 445,538
Total operating costs and expenses	(624,528)	(600,997)	(474,580)
Operating income (loss)	70,038	38,148	(29,042)
Net loss attributable to Studio City International Holdings Limited	\$ (58,765)	\$ (96,726)	\$(133,517)

Key Performance Indicators (KPIs)

We use the following KPIs to evaluate the operations of Studio City Casino, including table games and gaming machines:

- *Rolling chip volume*: the amount of non-negotiable chips net buy in plus the amount of cash chips converted to non-negotiable chips.
- *Rolling chip win rate*: rolling chip table games win (calculated before discounts, commissions, other incentives as administered by the Gaming Operator and allocating casino revenues related to goods and services provided to gaming patrons on a complimentary basis) as a percentage of rolling chip volume.
- *Mass market table games drop*: the amount wagered in the mass market table games operations.
- *Mass market table games hold percentage*: mass market table games win (calculated before discounts, commissions, other incentives as administered by the Gaming Operator and allocating casino revenues

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related to goods and services provided to gaming patrons on a complimentary basis) as a percentage of mass market table games drop.

- *Table games win*: the amount of wagers won net of wagers lost on gaming tables that is retained and recorded as casino revenues. Table games win is calculated before discounts, commissions, other incentives as administered by the Gaming Operator and allocating casino revenues related to goods and services provided to gaming patrons on a complimentary basis.
- *Gaming machine handle*: the total amount wagered in gaming machines.
- *Gaming machine win rate*: gaming machine win (calculated before other incentives as administered by the Gaming Operator and allocating casino revenues related to goods and services provided to gaming patrons on a complimentary basis) expressed as a percentage of gaming machine handle.

In the rolling chip market operations, customers purchase identifiable chips known as non-negotiable chips, or rolling chips, from the casino cage, and there is no deposit into a gaming table's drop box for rolling chips purchased from the cage. Rolling chip volume and mass market table games drop are not equivalent. Rolling chip volume is a measure of amounts of non-negotiable chips net buy in plus the amount of cash chips converted into non-negotiable chips. Mass market table games drop measures buy in. Rolling chip volume is generally substantially higher than mass market table games drop. As these volumes are the denominator used in calculating win rate or hold percentage, with the same use of gaming win as the numerator, the win rate is generally lower in the rolling chip market operations than the hold percentage in the mass market table games operations.

Studio City Casino's expected rolling chip win rate had been in the range of 2.85% to 3.15%.

We use the following KPIs to evaluate our hotel operations:

- *Average daily rate*: calculated by dividing total room revenues including complimentary rooms (less service charges, if any) by total rooms occupied, including complimentary rooms, i.e., average price of occupied rooms per day.
- *Occupancy rate*: the average percentage of available hotel rooms occupied, including complimentary rooms, during a period.
- *Revenue per available room, or REVPAR*: calculated by dividing total room revenues including complimentary rooms (less service charges, if any) by total rooms available, thereby representing a combination of hotel average daily room rates and occupancy.

Complimentary rooms are included in the calculation of the above room-related KPIs. The average daily rate of complimentary rooms is typically lower than the average daily rate for cash rooms. The occupancy rate and REVPAR would be lower if complimentary rooms were excluded from the calculation. As not all available rooms are occupied, average daily room rates are normally higher than revenue per available room.

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

Revenues

Our total operating revenues were US\$694.6 million in 2025, an increase of US\$55.4 million, or 8.7%, from US\$639.1 million of total operating revenues in 2024. The improvement was primarily attributable to better performance in mass market operations, which led to an increase in revenue from casino contract and higher overall non-gaming revenues.

- *Revenue from casino contract*. Revenue from casino contract is derived from the provision of facilities for the operations of Studio City Casino by the Gaming Operator and services related thereto pursuant

to the Studio City Casino Agreement. Revenue from casino contract was US\$305.9 million in 2025, compared with US\$259.8 million in 2024. The improvement was primarily attributable to better performance in mass market operations.

Studio City Casino generated gross gaming revenues of US\$1.38 billion and US\$1.31 billion in 2025 and 2024, respectively, before the deduction by the Gaming Operator of gaming taxes and the costs incurred in connection with its on-going operation of Studio City Casino pursuant to the Studio City Casino Agreement.

Mass market table games revenue increased to US\$1.26 billion in 2025 from US\$1.13 billion in 2024, attributable to an increase in mass market table games drop to US\$3.76 billion in 2025 from US\$3.68 billion in 2024, and an increase in mass market table games hold percentage to 33.4% in 2025 from 30.6% in 2024.

Gaming machine revenue increased to US\$127.2 million in 2025 from US\$111.7 million in 2024. This increase is attributable to an increase of gaming machine handle to US\$3.60 billion in 2025 from US\$3.41 billion in 2024, and an increase in gaming machine win rate to 3.5% in 2025 from 3.3% in 2024. Average net win per gaming machine per day was US\$451 and US\$431 in 2025 and 2024, respectively.

Studio City Casino did not have VIP rolling chip operations in 2025. VIP rolling chip revenue was US\$77.1 million in 2024. Studio City's VIP rolling chip volume was US\$2.00 billion in 2024. VIP rolling chip win rate was 3.85% in 2024.

Following the closure by the Gaming Operator of three of its Mocha Clubs between September and December 2025, 198 gaming machines were re-allocated to Studio City by the Gaming Operator.

In 2025 and 2024, total gaming taxes and costs incurred in connection with the on-going operation of Studio City Casino deducted from gross gaming revenues were US\$1,076.9 million and US\$1,055.0 million, respectively, which included (i) gaming taxes imposed on the gross gaming revenues of US\$553.2 million and US\$526.0 million, respectively; (ii) the complimentary services provided by us to Studio City Casino's gaming patrons of US\$144.3 million and US\$150.1 million, respectively; (iii) shared administrative services and shuttle bus transportation services provided by us to Studio City Casino of US\$56.6 million and US\$50.5 million, respectively; and (iv) remaining costs of US\$322.8 million and US\$328.4 million, respectively, primarily representing gaming-related staff costs and other gaming-related costs, including certain gaming concession related costs and costs related to gaming operations at Studio City Casino.

- *Rooms.* We generate room revenues from Studio City hotels consisting of the Celebrity Tower, the all-suite Star Tower, the Epic Tower and the W Macau. Our room revenues increased by US\$7.3 million, or 4.5%, to US\$168.0 million in 2025 from US\$160.7 million in 2024. The increase was primarily attributable to higher average daily rate and increased occupancy as a result of a year-over-year increase in inbound tourism in 2025. Studio City's average daily rate, occupancy rate and REVPAR were US\$171, 98% and US\$167, respectively, in 2025, as compared to US\$165, 96% and US\$159, respectively, in 2024.
- *Food and beverage, entertainment, mall and retail and other.* Our revenues generated from food and beverage, entertainment, mall and retail and other decreased by US\$6.7 million, or 4.2%, to US\$152.3 million in 2025 from US\$159.1 million in 2024, primarily attributable to lower revenues from residency concerts as a result of fewer shows held.
- *Services fee.* Our services fee revenues, which primarily consist of certain shared administrative services and shuttle bus transportation services to Studio City Casino, increased by US\$8.7 million, or 14.7%, to US\$68.3 million in 2025 from US\$59.5 million in 2024.

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Operating Costs and Expenses

Our total operating costs and expenses increased by US\$23.5 million, or 3.9%, to US\$624.5 million in 2025 from US\$601.0 million in 2024.

- *Costs related to casino contract.* Costs related to casino contract, which mainly represent (1) services fees for shared corporate services provided by the Master Service Providers pursuant to the Management and Shared Services Arrangements; and (2) management payroll expenses, increased by US\$3.8 million, or 10.9%, to US\$38.5 million in 2025 from US\$34.7 million in 2024. The increase was primarily attributable to higher shared corporate services fees as a result of the increase in business activities.
- *Rooms.* Room expenses, which represent the costs of operating the hotel facilities and respective payroll expenses, increased by US\$8.6 million, or 16.7%, to US\$60.2 million in 2025 from US\$51.6 million in 2024. The increase was primarily attributable to increase in payroll expenses and supplies for increase in business activities and was in-line with the increase in room revenues.
- *Food and beverage, entertainment, mall and retail and other.* Expenses related to food and beverage, entertainment, mall and retail and other, which primarily represent the costs of operating the respective non-gaming services at Studio City and respective payroll expenses, decreased by US\$8.3 million, or 6.1% to US\$127.9 million in 2025 from US\$136.2 million in 2024. The decrease was in-line with lower revenues from food and beverage, entertainment, mall and retail and other for the year ended December 31, 2025.
- *General and administrative.* General and administrative expenses were US\$183.4 million and US\$171.3 million in 2025 and 2024, respectively. Such expenses primarily consist of payroll expenses, utilities, marketing and advertising costs, repairs and maintenance, legal and professional fees, and fees paid to the Master Service Providers for shared corporate services provided to non-gaming departments. Expenses relating to services fee revenues are also included in the general and administrative expenses. The increase was primarily due to the increase in business activities in 2025.
- *Pre-opening costs.* Pre-opening costs were US\$0.5 million and US\$0.8 million in 2025 and 2024, respectively. Such costs primarily represent personnel, marketing and other costs incurred prior to the opening of new or start-up operations.
- *Amortization of land use right.* Amortization expenses for the land use right continued to be recognized on a straight-line basis at an annual rate of US\$3.3 million in both 2025 and 2024.
- *Depreciation and amortization.* Depreciation and amortization expenses increased by US\$7.0 million, or 3.4%, to US\$208.7 million in 2025 from US\$201.7 million in 2024. The increase was primarily due to more renovations works of non-gaming areas and increased furniture, fixtures and equipment as well as other long-term assets spend that put into use in 2025.
- *Property charges and other.* Property charges and other expenses of US\$2.0 million in 2025 were primarily attributable to US\$1.1 million litigation claims related to junket player deposits and US\$0.7 million loss on disposal/write-off of fixed assets. Property charges and other expenses of US\$1.3 million in 2024 were primarily attributable to US\$0.8 million loss on disposal/write-off of fixed assets and US\$0.3 million repairs and maintenance costs incurred as a result of a typhoon, which is net of the insurance recovery received.

Operating Income

As a result of the foregoing, we had an operating income of US\$70.0 million in 2025, compared to US\$38.1 million in 2024.

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Non-operating Expenses, Net

Net non-operating expenses consisted of interest income, interest expense, net of amounts capitalized, other financing costs, net foreign exchange gains (losses) and loss on extinguishment of debt. We incurred total net non-operating expenses of US\$126.7 million in 2025, compared to US\$136.6 million in 2024.

- *Interest expense, net of amounts capitalized.* Interest expense were US\$126.3 million (nil capitalization) in 2025, compared to US\$133.6 million (nil capitalization) in 2024. The decrease was primarily attributable to US\$11.1 million lower interest expense on the 2025 SCF Senior Notes resulting from the tender offer, repurchases and the redemption of remaining principal amount outstanding upon maturity during the years ended December 31, 2025 and 2024, partially offset by interest expense of US\$2.0 million on the SCC 2024 Revolving Facilities resulting from the net drawdowns during the year ended December 31, 2025.
- *Other financing costs.* Other financing costs in 2025 were US\$1.8 million, compared to US\$0.6 million in 2024, both of which were associated with the SCC 2021 Credit Facilities and the SCC 2024 Revolving Facilities. Higher amount in 2025 was primarily due to the full year loan commitment fees in 2025 for the SCC 2024 Revolving Facilities which entered in November 2024.
- *Loss on extinguishment of debt.* No loss on extinguishment of debt occurred in 2025. Loss on extinguishment of debt was US\$1.0 million in 2024 and was primarily associated with the 2025 SCF Senior Notes Tender Offer (2024).

Loss before Income Tax

As a result of the foregoing, we had a loss before income tax of US\$56.7 million in 2025, compared to US\$98.5 million in 2024.

Income Tax Expense

Income tax expense was US\$7.6 million in 2025 and was primarily attributable to Macau Complementary Tax of US\$7.7 million provided in connection with profit for 2025. Income tax expense was US\$7.4 million in 2024 and was primarily attributable to Macau Complementary Tax of US\$7.5 million provided in connection with profits for 2024 and 2023 on which the application for the Macau Complementary Tax exemption for 2023 to 2032 was rejected by the Macau government during the year ended December 31, 2024. The effective tax rates in 2025 and 2024 were (13.4)% and (7.5)%, respectively. Our effective tax rates in 2025 and 2024 differ from the statutory Macau Complementary Tax rate of 12%, where the Company's majority operations are located, primarily due to the effect of income for which no income tax is payable, expenses for which no income tax benefit is receivable, and changes in valuation allowance for the relevant years. The effective tax rate in 2024 was also impacted by the effect of expired tax losses and different tax rates of subsidiaries operating in other jurisdictions. Our management currently does not expect to realize significant income tax benefits associated with net operating loss carry-forwards and other deferred tax assets generated by our Macau operations. However, to the extent that the financial results of our Macau operations improve and it becomes more likely than not that the deferred tax assets are realizable, we will reduce the valuation allowance related to the net operating losses and other deferred tax assets.

Net Loss Attributable to Participation Interest

Our net loss attributable to participation interest was US\$5.5 million in 2025, compared to US\$9.1 million in 2024.

Net Loss Attributable to Studio City International Holdings Limited

As a result of the foregoing, we had a net loss attributable to Studio City International Holdings Limited of US\$58.8 million in 2025, compared to US\$96.7 million in 2024.

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For a discussion of our results of operations for the year ended December 31, 2024 compared with the year ended December 31, 2023, see “Item 5. Operating and Financial Review and Prospects — A. Operating Results — Year Ended December 31, 2024 Compared to Year Ended December 31, 2023” of our annual report on Form 20-F for the fiscal year ended December 31, 2023, filed with the SEC on March 21, 2025.

Adjusted EBITDA

Our net income/loss before interest, taxes, depreciation, amortization, pre-opening costs, property charges and other, other non-operating income and expenses, or Adjusted EBITDA, was US\$284.5 million, US\$245.3 million and US\$159.2 million for the years ended December 31, 2025, 2024 and 2023, respectively. Adjusted EBITDA, which is a non-GAAP financial measure, is presented exclusively as supplemental disclosures because management believes it is widely used to measure the performance, and as a basis for valuation, of gaming companies. Management uses Adjusted EBITDA to measure our operating performance and to compare our operating performance with those of our competitors.

The Company also presents Adjusted EBITDA because it is used by some investors as a way to measure a company’s ability to incur and service debt, make capital expenditures, and meet working capital requirements. Gaming companies have historically reported similar measures as supplements to financial measures in accordance with generally accepted accounting principles, in particular, U.S. GAAP or International Financial Reporting Standards. However, Adjusted EBITDA should not be considered as an alternative to operating income/loss as an indicator of the Company’s performance, 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 U.S. GAAP. Unlike net income/loss, Adjusted EBITDA does not include depreciation and amortization or interest expense and, therefore, does not reflect current or future capital expenditures or the cost of capital. The Company recognizes these limitations and uses Adjusted EBITDA as only one of several comparative tools, together with U.S. GAAP measurements, to assist in the evaluation of operating performance.

Such U.S. GAAP measurements include operating income/loss, net income/loss, cash flows from operations and cash flow data. The Company has significant uses of cash flows, including capital expenditures, interest payments, debt principal repayments, taxes and other recurring and nonrecurring charges, which are not reflected in Adjusted EBITDA. Also, the Company’s calculation of Adjusted EBITDA may be different from the calculation methods used by other companies and, therefore, comparability may be limited. The use of Adjusted EBITDA has material limitations as an analytical tool, as Adjusted EBITDA does not include all items that impact our net income/loss. Investors are encouraged to review the reconciliation of the historical non-GAAP financial measure to its most directly comparable GAAP financial measure.

Reconciliation of Net Loss Attributable to Studio City International Holdings Limited to Adjusted EBITDA

	Year Ended December 31,		
	2025	2024	2023
	<i>(in thousands of US\$)</i>		
Net loss attributable to Studio City International Holdings Limited	\$ (58,765)	\$ (96,726)	\$(133,517)
Net loss attributable to participation interest	(5,532)	(9,105)	(12,567)
Net loss	(64,297)	(105,831)	(146,084)
Income tax expense (benefit)	7,606	7,352	(81)
Interest and other non-operating expenses, net	126,729	136,627	117,123
Depreciation and amortization	212,016	205,060	169,397
Property charges and other	1,985	1,318	1,407
Pre-opening costs	510	807	17,451
Adjusted EBITDA	<u>\$284,549</u>	<u>\$ 245,333</u>	<u>\$ 159,213</u>
Adjusted EBITDA margin ⁽¹⁾	41.0%	38.4%	35.7%

Note:

(1) Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by total operating revenues.

The Adjusted EBITDA for Studio City in 2025, 2024 and 2023 referred to in Melco Resorts' 2025 annual report on Form 20-F were US\$109.3 million, US\$95.9 million and US\$47.6 million, respectively, more than the Adjusted EBITDA of Studio City contained in this report. The Adjusted EBITDA of Studio City contained in this report includes certain intercompany charges that are not included in the Adjusted EBITDA for Studio City contained in such Melco Resorts' annual report. Such intercompany charges include, among other items, fees and shared service charges billed between the Company and its subsidiaries and certain subsidiaries of Melco Resorts. Additionally, Adjusted EBITDA of Studio City included in such Melco Resorts' annual report does not reflect certain gaming concession related costs and certain intercompany costs related to the gaming operations at Studio City Casino.

B. LIQUIDITY AND CAPITAL RESOURCES

We have relied on, and intend to continue to rely on, our cash generated from our operations and our debt and equity financings to meet our financing or refinancing needs.

As of December 31, 2025, we recorded US\$109.4 million in cash and cash equivalents. Further, HK\$1.556 billion (equivalent to US\$200.0 million) available unused borrowing capacity under the SCC 2024 Revolving Facilities, of which US\$119.9 million is available for future drawdown as of December 31, 2025, subject to certain conditions precedent.

As of December 31, 2025, restricted cash of US\$0.1 million primarily represented the cash collateral in relation to the SCC 2021 Credit Facilities.

We have been able to meet our working capital needs, and we believe that our current available cash and cash equivalents, funds available for drawdown under the SCC 2021 Credit Facilities, the SCC 2024 Revolving Facilities and any additional equity or debt financings will be adequate to satisfy our current and anticipated operating, debt and capital commitments, as described in “— Other Financing and Liquidity Matters” below. For any additional financing requirements, we cannot provide assurance that future borrowings will be available. See “Item 3. Key Information — D. Risk Factors — Risks Relating to Our Business — We may not be able to obtain adequate financing on satisfactory terms, or at all” for more information.

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We have significant indebtedness and will continue to evaluate our capital structure and opportunities to enhance it in the normal course of our activities. We may from time to time seek to retire or purchase our outstanding debt through open market purchases, tender offers, privately-negotiated transactions or otherwise. Such purchases, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

Cash Flows

The following table sets forth a summary of our cash flows for the years presented.

	Year Ended December 31,		
	2025	2024	2023
	<i>(in thousands of US\$)</i>		
Net cash provided by (used in) operating activities	\$ 210,320	\$ 189,899	\$ (18,894)
Net cash used in investing activities	(85,149)	(108,461)	(161,540)
Net cash used in financing activities	(143,114)	(183,263)	(100,902)
Effect of exchange rate on cash, cash equivalents and restricted cash	(290)	1,419	(147)
Decrease in cash, cash equivalents and restricted cash	(18,233)	(100,406)	(281,483)
Cash, cash equivalents and restricted cash at beginning of year	127,764	228,170	509,653
Cash, cash equivalents and restricted cash at end of year	<u>\$ 109,531</u>	<u>\$ 127,764</u>	<u>\$ 228,170</u>

Operating Activities

Operating cash flows are generally affected by changes in operating income and certain operating assets and liabilities, including the receivables related to the revenue from casino contract and hotel operations, as well as the non-gaming business, including food and beverage, entertainment, mall, retail and other, which are conducted primarily on a cash basis.

We recorded net cash provided by operating activities of US\$210.3 million in 2025, as compared to US\$189.9 million in 2024. The change was primarily driven by increased operating income resulting from higher business volumes in 2025, partially offset by working capital requirements for operations, which primarily consisted of payments of operating accruals arising from the increased business volumes and a decrease in net receipt from affiliated companies for operating purpose in 2025.

We recorded net cash provided by operating activities of US\$189.9 million in 2024, as compared to net cash used in operating activities of US\$18.9 million in 2023. The change was primarily attributable to improved performance of Studio City's operations which resulted in a decrease in net loss in 2024, as well as net receipt from affiliated companies for operating purpose in 2024.

Investing Activities

Net cash used in investing activities was US\$85.1 million in 2025, as compared to US\$108.5 million in 2024. Net cash used in investing activities was US\$161.5 million in 2023.

Net cash used in investing activities of US\$85.1 million in 2025 was attributable to payments for acquisition of property and equipment of US\$62.0 million and payments to an affiliated company for other long-term assets of US\$30.7 million, partially offset by proceeds from sale of property and equipment of US\$7.5 million.

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Net cash used in investing activities of US\$108.5 million in 2024 was attributable to payments for acquisition of property and equipment of US\$86.8 million and payments to an affiliated company for other long-term assets of US\$31.3 million, partially offset by proceeds from sale of property and equipment of US\$9.6 million.

Net cash used in investing activities of US\$161.5 million in 2023 was primarily attributable to payments for acquisition of property and equipment of US\$156.8 million.

Our capital expenditures on an accrual basis amounted to US\$46.2 million, US\$64.7 million and US\$68.9 million for the years ended December 31, 2025, 2024 and 2023, respectively, primarily for the construction, development and enhancement of Studio City. We will continue to make capital expenditures to grow our business and expect that cash generated from our operating and financing activities will meet our capital expenditure needs in the foreseeable future. See “— Other Financing and Liquidity Matters” below for more information.

Financing Activities

Net cash used in financing activities was US\$143.1 million in 2025, as compared to US\$183.3 million in 2024. Net cash used in financing activities was US\$100.9 million in 2023.

Net cash used in financing activities of US\$143.1 million in 2025 was attributable to the full redemption of the US\$221.6 million outstanding principal amount under the 2025 SCF Senior Notes at maturity and repayment for an aggregate principal amount outstanding of the SCC 2024 Revolving Facilities of US\$91.8 million, partially offset by the proceeds from the drawdown of the SCC 2021 Credit Facilities and SCC 2024 Revolving Facilities of US\$170.3 million.

Net cash used in financing activities of US\$183.3 million in 2024 was mainly attributable to the settlement of the 2025 SCF Senior Notes Tender Offer (2024) and the repurchases of 2025 SCF Senior Notes.

Net cash used in financing activities of US\$100.9 million in 2023 was mainly attributable to the settlement of the 2025 SCF Senior Notes Tender Offer (2023).

Indebtedness

We enter into loan facilities and issue notes through our subsidiaries. The following table sets forth our gross indebtedness as of December 31, 2025:

	<u>Issuer</u>	<u>As of December 31,</u> <u>2025</u> <i>(in thousands of US\$)</i>
SCC 2021 Credit Facilities	Studio City Company	\$ 30,073
SCC 2024 Revolving Facilities	Studio City Company	49,992
2027 SCC Senior Secured Notes	Studio City Company	350,000
2028 SCF Senior Notes	Studio City Finance	500,000
2029 SCF Senior Notes	Studio City Finance	1,100,000
Total		<u>\$ 2,030,065</u>

Major changes in our indebtedness during the year ended December 31, 2025 are summarized below.

On July 11, 2025, we drew down HK\$233.0 million (equivalent to US\$29.7 million) and HK\$1,104.0 million (equivalent to US\$140.6 million) under the SCC 2021 Credit Facilities and the SCC 2024 Revolving Facilities, respectively. Such proceeds from the drawdowns, together with cash on hand, were used to fully

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redeem the US\$221.6 million outstanding principal amount of the 2025 SCF Senior Notes at maturity on July 15, 2025. Subsequently during the year ended December 31, 2025, we repaid HK\$715.0 million (equivalent to US\$91.8 million) in aggregate principal amount under the SCC 2024 Revolving Facilities, together with accrued interest.

For further details of the above indebtedness, see note 9 to the consolidated financial statements included elsewhere in this annual report, which includes information regarding the type of debt facilities used, the maturity profile of debt, the currency and interest rate structure, the charge on our assets and the nature and extent of any restrictions on our ability, and the ability of our subsidiaries, to transfer funds as cash dividends, loans or advances. See also “— Other Financing and Liquidity Matters” below for details of the maturity profile of debt and “Item 11. Quantitative and Qualitative Disclosures about Market Risk” for further understanding of our hedging of foreign exchange risk and interest rate risk exposure.

Other Financing and Liquidity Matters

We may obtain financing in the form of, among other things, equity or debt, including additional bank loans or high yield, mezzanine or other debt, or rely on our operating cash flow to fund the maintenance and development of our projects. We expect to incur capital expenditures in the future as we continue to develop our existing operations.

We have relied, and intend in the future to rely, on our operating cash flow and different forms of financing to meet our funding needs and repay our indebtedness, as the case may be.

The timing of any future debt and equity financing activities will be dependent on our funding needs, the availability of funds on terms acceptable to us and prevailing market conditions. We may carry out activities from time to time to strengthen our financial position and ability to better fund our business. Such activities may include refinancing existing debt, monetizing assets, sale-and-leaseback transactions or other similar activities.

Any other future developments may be subject to further financing and a number of other factors, many of which are beyond our control.

Our material cash requirements arise from the payment of interest expenses, repayment of principal relating to our indebtedness, maintenance capital expenditures and, prior to the completion of construction, the development of the remaining land at Studio City.

Cash from financings and operations is primarily retained by our operating subsidiaries for the purposes of funding our operating activities and capital expenditures. Cash within our group is primarily transferred between our subsidiaries through intercompany loan arrangements. Financing raised by Studio City International Holdings Limited has been transferred to our financing and operating subsidiaries through the use of equity capital contributions or intercompany loan arrangements. In 2025, excluding cash transferred for the purpose of the settlement of intragroup charges, no cash has been transferred to our holding company, Studio City International Holdings Limited, from its subsidiaries. See also “Item 4. Information on the Company — B. Business Overview — Taxation” and “Item 8. Financial Information — A. Consolidated Statements and Other Financial Information — Dividend Policy.” There are no regulatory or foreign exchange restrictions or limitations on our ability to transfer cash within our corporate group or to declare dividends to holders of our ADSs, except that our subsidiaries incorporated in Macau are required to set aside a specified amount of the entity’s profit after tax as a legal reserve which is not distributable to the shareholders of such subsidiaries. See “Item 4. Information on the Company — B. Business Overview — Regulations — Restrictions on Distribution of Profits Regulations” and “Item 10. Additional Information — D. Exchange Controls.”

As of December 31, 2025, we had capital commitments for the construction and acquisition of property and equipment totaling US\$4.1 million. In addition, we have contingent liabilities arising in the ordinary course of business.

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Our total long-term indebtedness and other contractual obligations as of December 31, 2025 are summarized below.

	Payments Due by Period				Total
	Less than 1 year	1-3 years	3-5 years	More than 5 years	
	<i>(in millions of US\$)</i>				
Long-term debt obligations⁽¹⁾:					
SCC 2021 Credit Facilities	\$ —	\$ —	\$ 30.1	\$ —	\$ 30.1
SCC 2024 Revolving Facilities	—	—	50.0	—	50.0
2027 SCC Senior Secured Notes	—	350.0	—	—	350.0
2028 SCF Senior Notes	—	500.0	—	—	500.0
2029 SCF Senior Notes	—	—	1,100.0	—	1,100.0
Fixed interest payments	112.0	146.9	2.2	—	261.1
Variable interest payments ⁽²⁾	4.3	8.5	3.4	—	16.2
Operating leases⁽³⁾	2.0	2.3	2.3	28.0	34.6
Construction costs and property and equipment retention payables	1.7	—	—	—	1.7
Other contractual commitments:					
Construction costs and property and equipment acquisition commitments	3.8	0.3	—	—	4.1
Total contractual obligations	\$ 123.8	\$1,008.0	\$1,188.0	\$ 28.0	\$2,347.8

Notes:

- (1) See note 9 to the consolidated financial statements included elsewhere in this annual report for further details on these debt facilities.
- (2) Amounts for all periods represent our estimated interest payments on our debt facilities based upon amounts outstanding and HIBOR as at December 31, 2025 plus the applicable interest rate spread in accordance with the respective debt agreements. Actual rates will vary.
- (3) See note 10 to the consolidated financial statements included elsewhere in this annual report for further details on these lease liabilities.

For further details for our commitments and contingencies, see note 16 to the consolidated financial statements included elsewhere in this annual report.

We have not entered into any material financial guarantees or other commitments to guarantee the payment obligations of any third parties. We have not entered into any derivative contracts that are indexed to our ordinary shares and classified as shareholder's equity, or that are not reflected in our consolidated financial statements.

Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing, hedging or research and development services with us.

Studio City Company has a corporate rating of "B+" with a stable outlook by Standard & Poor's. Studio City Finance currently has a corporate rating of "B1" by Moody's Investors Service with a stable outlook. For future borrowings, any decrease in our corporate rating could result in an increase in borrowing costs.

Restrictions on Distributions

The Company is a holding company with no operations of its own. We conduct our operations through our subsidiaries. As a result, our ability to pay dividends depends upon dividends paid by our subsidiaries. Our

subsidiaries have incurred debt on their own behalf and any of our newly formed subsidiaries may incur debt on their own behalf in the future and the instruments governing their debt have and may restrict their ability to pay dividends to us. For discussion on the ability of our subsidiaries to transfer funds to our Company in the form of cash dividends, loans or advances and the impact such restrictions have on our ability to meet our cash obligations, see “Item 3. Key Information — D. Risk Factors — Risks Relating to Our Business — Certain covenants under our agreements governing our existing indebtedness restrict our ability to engage in certain transactions and may impair our ability to respond to changing business and economic conditions,” “Item 8. Financial Information — A. Consolidated Statements and Other Financial Information — Dividend Policy” and note 15 to the consolidated financial statements included elsewhere in this annual report.

In addition, our subsidiaries incorporated in Macau are required to set aside a minimum of 25% of the entity’s profit after tax to the legal reserve until the balance of the legal reserve reaches a level equivalent to 50% of the entity’s share capital in accordance with the provisions of the Macau Commercial Code. The legal reserve is not available for distribution to the shareholders of the subsidiaries.

C. RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES, ETC.

We have entered into licensing agreements for the use of certain trade names, including the Marriott International group in relation to the use of its various trademarks for the operation of a W-branded hotel tower by the Marriot International group at Studio City. For other intellectual property that we owned, see “Item 4. Information on the Company — B. Business Overview — Intellectual Property.”

D. TREND INFORMATION

The following trends and uncertainties may affect our operations and financial conditions:

- Policies, legislations and campaigns implemented by the PRC government, including restrictions on travel, anti-corruption campaigns, monitoring of cross-border currency movement and adoption of measures to eliminate perceived channels of illicit cross-border currency movements, restrictions on currency withdrawal, scrutiny of marketing activities in China or measures taken by the PRC government, including criminalizing certain conduct, to deter marketing of gaming activities to mainland China residents by foreign casinos, slowdown of economic growth in China, travel and visa policies, may lead to a decline and limit the recovery and growth in the number of patrons visiting our property and the spending amount of such patrons;
- The gaming and leisure market in Macau is developing and the competitive landscape is expected to evolve as more gaming and non-gaming facilities are developed in Macau. More supply of hotels in the Cotai region of Macau will intensify the competition in the businesses that we and the Gaming Operator operate;
- Greater regulatory scrutiny, including increased audits and inspections, in relation to movement of capital and anti-money laundering and other financial crime. Anti-money laundering, anti-bribery and corruption and sanctions and counter-terrorism financing laws and regulations have become increasingly complex and subject to greater regulatory scrutiny and supervision by regulators globally and may increase our compliance costs and any potential non-compliances of such laws and regulations could have an adverse effect on our reputation, financial condition, results of operations or cash flows;
- Enactment of new laws, or amendments to existing laws with more stringent requirements, in relation to personal information, including, among others, collection, use and/or transmission of personal information, and as to which there may be limited precedent on their interpretation and application, may increase operating costs and/or adversely impact our ability to market to our customers and guests. In addition, any non-compliance with such laws may result in damage to our reputation and/or subject us to lawsuits, fines and other penalties as well as restrictions on our use or transfer of data; and

- Increases in cybersecurity and ransomware attacks around the world, including in the gaming and hospitality industries and the need to continually evaluate, enhance and improve our internal process, systems and technology infrastructure to comply with the increasing cybersecurity, data privacy and data protection laws, regulations and requirements.

See also “Item 3. Key Information — D. Risk Factors,” “Item 4. Information on the Company — B. Business Overview — Market and Competition” and other information elsewhere in this annual report for recent trends affecting our revenues and costs since the previous financial year and a discussion of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on our net revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause the reported financial information not necessarily to be indicative of future operating results or financial condition.

E. CRITICAL ACCOUNTING ESTIMATES

Management’s discussion and analysis of our results of operations and liquidity and capital resources are based on our consolidated financial statements. Our consolidated financial statements were prepared in conformity with U.S. GAAP. Certain of our accounting policies require that management applies significant judgment in defining the appropriate assumptions integral to financial estimates. On an ongoing basis, management evaluates those estimates and judgments which are made based on information obtained from our historical experience, terms of existing contracts, industry trends and outside sources that are currently available to us, and on various other assumptions that management believes to be reasonable and appropriate in the circumstances. However, by their nature, judgments are subject to an inherent degree of uncertainty, and therefore actual results could differ from our estimates. We believe that the critical accounting policies discussed below affect our more significant judgments and estimates used in the preparation of our consolidated financial statements.

Property and Equipment

As of December 31, 2025 and 2024, we had net property and equipment of US\$2.49 billion and US\$2.65 billion, representing 88.9% and 88.8% of our total assets respectively. Property and equipment are stated at cost, net of accumulated depreciation and amortization, and accumulated impairment, if any. We depreciate property and equipment on a straight-line basis over their estimated useful lives. The useful lives are estimated based on factors including the nature of the assets, its relationship to other assets, our operating plans and anticipated use and other economic and legal factors that impose limits. The remaining estimated useful lives of the property and equipment are periodically reviewed. Refer to note 2(i) to the consolidated financial statements included elsewhere in this annual report for further details of estimated useful lives of the property and equipment.

Impairment of Long-lived assets

We evaluate our property and equipment and other long-lived assets for impairment whenever indicators of impairment exist. If an indicator of impairment exists, we estimate the undiscounted future cash flows over the remaining useful life of the primary asset within the long-lived assets which involves significant assumptions, including future revenue growth rates and cost inflation. The future cash flows are derived based on management historical experience and market condition which are consistent with our budget and strategic plan. If the sum of undiscounted cash flows exceeds the carrying value, no impairment is indicated. If the sum of undiscounted cash flows does not exceed the carrying value, then an impairment is measured based on fair value compared to carrying value, with fair value typically based on a discounted cash flow model involving significant assumptions, such as discount rates. If an asset is still under development, future cash flows include remaining construction costs. Future changes to our estimates and assumptions based upon changes in operating results, macro-economic factors or management’s intentions may result in future changes to the recoverability of our long-lived assets.

No impairment of long-lived assets were recognized during the years ended December 31, 2025, 2024 and 2023.

Income Tax

Deferred income taxes are recognized for all significant temporary differences between the tax basis of assets and liabilities and their reported amounts in the consolidated financial statements. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Current income taxes are provided for in accordance with the laws of the relevant taxing authorities. As of December 31, 2025 and 2024, we recorded valuation allowances of US\$170.1 million and US\$172.7 million, respectively, as management believes that it is more likely than not that these deferred tax assets will not be realized. Our assessment considers, among other matters, the nature, frequency and severity of current and cumulative losses, forecasts of future profitability, and the duration of statutory carry-forward periods. To the extent that the financial results of our operations improve and it becomes more likely than not that the deferred tax assets are realizable, the valuation allowances will be reduced.

Other Estimates

In addition to the critical accounting estimates described above, there are other accounting estimates within the consolidated financial statements. Management believes the current assumptions and other considerations used to estimate amounts reflected in the consolidated financial statements are appropriate. However, if actual experience differs from the assumptions and other considerations used in estimating amounts reflected in the consolidated financial statements, the resulting changes could have a material adverse effect on the consolidated financial statements. See note 2 to the consolidated financial statements for further information on significant accounting policies.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES**A. DIRECTORS AND SENIOR MANAGEMENT****Directors and Executive Officers**

The following table sets forth information regarding our directors and executive officers as of the date of this annual report on Form 20-F.

<u>Directors and Executive Officers</u>	<u>Age</u>	<u>Position/Title</u>
Lawrence Yau Lung Ho	49	Director
Evan Andrew Winkler	51	Director
Clarence Yuk Man Chung	63	Director
Geoffrey Stuart Davis	57	Director and Chief Financial Officer
Stephanie Cheung	63	Director
Akiko Takahashi	72	Director
David Anthony Reganato	46	Director
Dale Robert Black	62	Director
Dominique Mielle	57	Independent Director
Kevin F. Sullivan	73	Independent Director
Nigel Alan Dean	72	Independent Director
Kevin Richard Benning	43	Property General Manager

Directors

Mr. Lawrence Yau Lung Ho has been a member of our board of directors since July 2011. Mr. Ho was also appointed as the executive director of Melco Resorts on December 20, 2004, and served as its co-chairman and chief executive officer between December 2004 and April 2016 before being re-designated as chairman and chief executive officer in May 2016. Mr. Ho became the managing director of Melco International in 2001 and has been its chairman and chief executive officer since March 2006. Mr. Ho was the chairman and director of Maple Peak Investments Inc., a company listed on the TSX Venture Exchange in Canada, from July 2016 to January 2026.

As a member of the National Committee of the Chinese People's Political Consultative Conference, Mr. Ho serves on the board or participates as a committee member in various organizations in China. He is a member of the advisory committee of the All-China Federation of Industry and Commerce; a member of the Macau Basic Law Promotion Association; a member of the Board of Governors of The Canadian Chamber of Commerce in Hong Kong; a member of the Asia International Leadership Council; honorary advisor of Global Tourism Economy Research Centre; permanent honorary committee member of The Chinese General Chamber of Commerce of Hong Kong; honorary patron of The Canadian Chamber of Commerce in Macao; honorary president of the Macau Research Association for Macau Gaming Law; honorary president of the Association of Property Agents and Real Estate Developers of Macau; a director executive of the Macao Chinese General Chamber of Commerce and honorary president of the Association of Youth Practitioners in Macao Integrated Tourism and Leisure Enterprises.

In 2017, Mr. Ho was awarded the Medal of Merit-Tourism by the Macau SAR government for his significant contributions to tourism in the territory.

In recognition of Mr. Ho's directorship and entrepreneurial spirit, he was granted the Business Awards of Macau's "Leadership Gold Award" in 2015 and honored with "Outstanding Individual Award" at the Industry Community Awards in 2020. Mr. Ho has been honored as one of the recipients of the "Asian Corporate Director Recognition Awards" by Corporate Governance Asia magazine for nine years since 2012, and was awarded "Asia's Best CEO" at the Asian Excellence Awards for the 14th year in 2025.

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Mr. Ho graduated with a Bachelor of Arts degree in commerce from the University of Toronto, Canada, in June 1999 and was awarded the Honorary Doctor of Business Administration degree by Edinburgh Napier University, Scotland, in July 2009 for his contribution to business, education and the community in China.

Mr. Evan Andrew Winkler has been a member of our board of directors since August 2016. Mr. Winkler was also appointed as a director of Melco Resorts on August 3, 2016, and the president of Melco Resorts on September 4, 2019. Mr. Winkler has served as the managing director and the president of Melco International since August 2016 and May 2018, respectively, and a director of various subsidiaries of Melco International. Before joining Melco International, Mr. Winkler served as a managing director at Moelis & Company, a global investment bank. Prior to that, he was a managing director and co-head of technology, media and telecommunications M&A at UBS Investment Bank. Mr. Winkler has extensive experience in providing senior level advisory services on mergers and acquisitions and other corporate finance initiatives, having spent nearly two decades working on Wall Street. He holds a bachelor's degree in Economics from the University of Chicago.

Mr. Clarence Yuk Man Chung has been a member of our board of directors since October 2018. Mr. Chung was appointed as a non-executive director of Melco Resorts on November 21, 2006. Mr. Chung has also been an executive director of Melco International since May 2006, which he joined in December 2003. In addition, Mr. Chung has been the chairman and president of Melco Resorts and Entertainment (Philippines) Corporation, or MRP, since December 2012 and has also been appointed as a director of certain subsidiaries of Melco International and Melco Resorts incorporated in various jurisdictions. Before joining Melco International, Mr. Chung had been in the financial industry in various capacities as a chief financial officer, an investment banker and a merger and acquisition specialist. He was named one of the "Asian Gaming 50" for multiple years by Inside Asian Gaming magazine. Mr. Chung is a member of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales and obtained a master's degree in business administration from the Kellogg School of Management at Northwestern University and The Hong Kong University of Science and Technology.

Mr. Geoffrey Stuart Davis has been a member of our board of directors since October 2018 and has also been our chief financial officer since June 2019. Mr. Davis is the executive vice president and chief financial officer of Melco Resorts and he was appointed to this role in April 2011. Prior to that, he served as the deputy chief financial officer of Melco Resorts from August 2010 to March 2011 and senior vice president, corporate finance of Melco Resorts since 2007, when he joined Melco Resorts. In addition, Mr. Davis has been the chief financial officer and an executive director of Melco International since December 2017 and June 2025, respectively. Prior to joining Melco Resorts, Mr. Davis was a research analyst for Citigroup Investment Research, where he covered the U.S. gaming industry from 2001 to 2007. From 1996 to 2000, he held a number of positions at Hilton Hotels Corporation and Park Place Entertainment. Mr. Davis has been a CFA charter holder since 2000 and obtained a bachelor of arts degree from Brown University.

Ms. Stephanie Cheung has been a member of our board of directors since October 2018. Ms. Cheung was the executive vice president and chief legal officer of Melco Resorts from December 2008 to December 2023. Prior to that, she held the title of general counsel of Melco Resorts from November 2006, when she joined Melco Resorts. She also acted as the secretary to the board of Melco Resorts from November 2006 to December 2023. Prior to joining Melco Resorts, Ms. Cheung practiced law with various international law firms in Hong Kong, Singapore and Toronto. Ms. Cheung graduated with a bachelor of laws degree from Osgoode Hall Law School and a master's degree in business administration from York University. Ms. Cheung is admitted as a solicitor in Ontario, Canada, England and Wales and Hong Kong and is a member of the Hong Kong Institute of Directors.

Ms. Akiko Takahashi has been a member of our board of directors since October 2018. Ms. Takahashi is executive vice president and chief of staff to chairman and chief executive officer of Melco Resorts, and was

appointed to this role in June 2019. Prior to her present roles, she was the executive vice president and chief officer, human resources/corporate social responsibility from December 2008 and held the title of group human resources director of Melco Resorts from December 2006, when she joined Melco Resorts. Prior to joining Melco Resorts, Ms. Takahashi worked as a consultant in her own consultancy company from 2003 to 2006 where she conducted “C-level” executive searches for clients and assisted with brand/service culture alignment for a luxury hotel in New York City and where her last engagement prior to joining Melco Resorts was to lead the human resources integration for the largest international hospitality joint venture in Japan between InterContinental Hotels Group and ANA Hotels. She was the global group director of human resources for Shangri-la Hotels and Resorts, an international luxury hotel group headquartered in Hong Kong, from 1995 to 2003. Between 1993 and 1995, she was the senior vice president of human resources and service quality for Bank of America, Hawaii, FSB. She served as regional human resources manager for Sheraton Hotels Hawaii / Japan from 1985 to 1993. Ms. Takahashi started her hospitality career as a training manager for Halekulani Hotel. She began her career in the fashion luxury retail industry in merchandising, operations, training and human resources. Ms. Takahashi attended the University of Hawaii.

Mr. David Anthony Reganato has been a member of our board of directors since March 2014. Mr. Reganato also serves on the boards of Granite Broadcasting LLC, Rotech Healthcare, Inc., Gulfport Energy Corporation, New Cotai, LLC and Trident Topco LLC (holding company of TridentCare). Mr. Reganato is a Partner with Silver Point Capital, L.P., an investment advisor, which he joined in November 2002. Prior to Silver Point Capital, L.P., Mr. Reganato worked in the investment banking division of Morgan Stanley. Mr. Reganato earned his B.S. in Finance and Accounting from the Stern School of Business at New York University.

Mr. Dale Robert Black has been a member of our board of directors since September 2021. From 2015 to 2018, Mr. Black served as executive vice president, chief financial officer of CEC Entertainment, Inc., which owns and operates family dining and entertainment venues, including the Chuck E. Cheese and Peter Piper Pizza venues. Prior to CEC Entertainment, Inc., Mr. Black served as executive vice president and chief financial officer of Great Wolf Resorts, Inc. from January 2015 to June 2015 and associate director with Protiviti, Inc., a global consulting firm, from September 2014 to December 2014. From November 2007 to July 2014, he served as chief financial officer at Isle of Capri Casinos, Inc. and from November 2005 to December 2007, he served as executive vice president — chief financial officer of Trump Entertainment Resorts, Inc. Prior to holding that position, Mr. Black was chief financial officer at Argosy Gaming Company. Mr. Black is a certified public accountant and began his career with Arthur Andersen LLP. Mr. Black earned his B.S. in Accounting from Southern Illinois University.

Ms. Dominique Mielle has been a member of our board of directors since October 2018. Ms. Mielle was a partner at Canyon Capital Advisors, LLC, or Canyon, from August 1998 to December 2017 where she primarily focused on the transportation, technology, retail and consumer products sectors, specialized in corporate and municipal bond securitizations and was responsible for all aspects of Canyon’s collateralized loan obligations business. Ms. Mielle has over 25 years of experience on Wall Street, investing in fixed income and leading capital structure optimizations and restructurings. She was named one of the “Top 50 Women in Hedge Funds” by Ernst & Young in 2017. Prior to joining Canyon in 1998, Ms. Mielle worked at Libra Investments, Inc. as an associate in the corporate finance department covering middle market companies. Prior to that, she worked at Lehman Brothers as an analyst in the Financial Institutions group, focusing on mergers and acquisitions. Ms. Mielle also serves on the board of directors of Ready Capital Corporation and Tiptree Inc. Ms. Mielle graduated with an M.B.A. (Finance) from Stanford University and a Master in Management degree from Ecole des Hautes Etudes Commerciales in France (HEC Paris).

Mr. Kevin F. Sullivan has been a member of our board of directors since October 2018. From 2013 to 2021, Mr. Sullivan was a Managing Director at MidOcean Credit Partners, a private investment firm that specializes in U.S. hedge fund investments. Prior to joining MidOcean Credit Partners, Mr. Sullivan was a Managing Director at Deutsche Bank, and a predecessor bank, Bankers Trust, from 1980 until November 2012. Mr. Sullivan held positions of increasing responsibility over his 32 years at Deutsche Bank and Bankers Trust,

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including Group Head of the loan sales, trading and capital markets division, Asia Head of the leveraged finance division, Group Head of the Asset Based Lending division, Member of the Capital Commitments Committee and Member of the Equity Investment Committee. Prior to that, he worked at Price Waterhouse & Co. as part of its New York senior audit staff from 1975 to 1979. Mr. Sullivan has also been the lead independent director of Griffon Corporation and has served on its board, audit and head of finance committees since January 2013. Mr. Sullivan graduated with an M.B.A. in Finance from St. John's University and a B.S. degree in Accounting from Fordham University.

Mr. Nigel Alan Dean has been a member of our board of directors since October 2018. Mr. Dean was Melco Resorts' Executive Vice President and Chief Internal Auditor from December 2008 until September 2012 and held the title of Director, Internal Audit from December 2006, when he joined Melco Resorts. Prior to joining Melco Resorts, Mr. Dean was the General Manager — Compliance (Finance and Administration) at Coles Myer Limited (now known as Wesfarmers Limited) from 2003 until 2006, where he was responsible for the implementation of the Sarbanes-Oxley Act of 2002 compliance processes and other corporate governance compliance programs. Other positions Mr. Dean held at Coles Myer Limited included Chief Internal Auditor from 1995 to 2002 and General Manager — Internal Audit Supermarkets Division from 1991 to 1995. Mr. Dean's previous experience in internal and external audit included positions with Elders IXL Group from 1986 to 1990, CRA Limited (now known as Rio Tinto Limited) from 1982 to 1986, Ford Asia-Pacific from 1976 to 1982, the Australian Federal Government Auditor-Generals Office from 1975 to 1976 and Peat Marwick Mitchell & Co. (now known as KPMG) from 1973 to 1975. Mr. Dean has been a Fellow CPA of the Australian Society of Certified Practising Accountants since 1984 and was a Certified Internal Auditor, as designated by the Institute of Internal Auditors in the United States, from 2005 until 2012. Mr. Dean obtained a Bachelor of Laws degree from Deakin University in 2005, a Masters of Business Administration degree from Monash University in 1993 and a Diploma of Business Studies (Accounting) from Swinburne University of Technology (formerly Swinburne College of Technology) in 1973.

Executive Officer

Mr. Kevin Richard Benning has served as our property general manager since December 2020. Prior to Mr. Benning's current position, Mr. Benning served as property president / chief operating officer of MRP from January 2018 to December 2020 as well as vice president of casino operations of MRP from March 2016 to January 2018. Prior to joining MRP, Mr. Benning was the vice president of casino marketing for Resorts World Sentosa from April 2015 to March 2016. From January 2013 to April 2015, Mr. Benning was executive director of marketing operations for Sands China Limited as well as director of marketing from June 2012 to January 2013 and director of slot operations from April 2011 to June 2012. Mr. Benning started his career with Harrah's Ak-Chin Resort in Arizona holding a variety of operational roles from July 2004 to April 2011. Mr. Benning graduated from Arizona State University with a Bachelor of Arts degree in business administration.

B. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

In 2025, we paid an aggregate of US\$1.2 million in cash and benefits to our directors and executive officers. We have not set aside or accrued any material amount to provide pension, retirement or other similar benefits to our directors and executive officers. None of the service agreements between us and our directors provide benefits upon termination of services.

Share Incentive Plan

We currently do not have a share incentive plan. However, our directors, employees and consultants are eligible to participate in the share incentive plan of Melco Resorts, which is open to directors, employees and consultants of Melco Resorts and any parent or subsidiary of Melco Resorts.

The types of awards that may be granted under the share incentive plan of Melco Resorts include options, incentive share options, restricted shares, share appreciation rights, dividend equivalents, share payments, deferred shares and restricted share units. The compensation committee of Melco Resorts may, from time to time, select from among all eligible individuals, those to whom awards will be granted and determine the nature and amount of each award. The maximum aggregate number of shares which may be issued pursuant to the current share incentive plan of Melco Resorts is 145,654,794, which is subject to adjustment pursuant to the terms and conditions contained therein.

C. BOARD PRACTICES

Composition of Board of Directors

Our board of directors consists of eleven directors, including three independent directors. Under the Shareholders' Agreement, subject to maintaining ownership of a certain percentage of the number of shares held immediately prior to our initial public offering, MCO Cotai is entitled to appoint up to three directors and New Cotai is entitled to appoint up to two directors. See "Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Shareholders' Agreement." Notwithstanding such provisions contained in the Shareholders' Agreement, the additional members on our board of directors that commenced service on our board of directors immediately following the completion of our initial public offering were appointed by the board of directors, which, immediately prior to the completion of our initial public offering, consisted of Mr. Lawrence Ho, Mr. Evan Winkler and Mr. David Reganato. Mr. Lawrence Ho was appointed as a director by our board of directors in connection with MCO Cotai's acquisition of a 60% interest in us. Mr. Evan Winkler was appointed by MCO Cotai under its right to appoint up to three directors under the Shareholders' Agreement and Mr. David Reganato was appointed by New Cotai under its right to appoint up to two directors under the Shareholders' Agreement. Our articles of association do not require directors to stand for re-election at staggered intervals.

NYSE Rule 303A.01 generally requires that a majority of an issuer's board of directors must consist of independent directors. However, NYSE Rule 303A.00 permits foreign private issuers like us to follow "home country practice" in certain corporate governance matters. We rely on this "home country practice" exception and do not have a majority of independent directors serving on our board. A director is not required to hold any shares in our Company to qualify to serve as a director. A director who is in any way, whether directly or indirectly, interested in a contract or proposed contract with our Company is required to declare the nature of his/her interest at a meeting of our directors. A general notice given to the directors by any director to the effect that he/she is a member, shareholder, director, partner, officer or employee of any specified company or firm and is to be regarded as interested in any contract or transaction with that company or firm shall be deemed a sufficient declaration of interest for the purposes of voting on a resolution in respect to a contract or transaction in which he/she has an interest, and after such general notice it shall not be necessary to give special notice relating to any particular transaction. A director may vote in respect of any contract or proposed contract or arrangement notwithstanding that he/she may be interested therein and if he/she does so his/her vote shall be counted and he/she may be counted in the quorum at any meeting of the directors at which any such contract or proposed contract or arrangement is considered. Our board of directors may exercise all of the powers of our Company to borrow money, to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock or other securities whenever money is borrowed or as security for any debt, liability or obligation of our Company or of any third-party. None of our directors have a service contract with us that provides for benefits upon termination of employment.

Duties of Directors

Under Cayman Islands law, our directors owe fiduciary duties to our Company, including a duty of loyalty, a duty to act honestly and a duty to act in what they consider in good faith to be in our best interests. Our

directors must also exercise their powers only for a proper purpose. Our directors also owe to our Company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his duties a greater degree of skill than may reasonably be expected from a person of his knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands. In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association, as amended and restated from time to time. Our Company has the right to seek damages if a duty owed by our directors is breached. In limited exceptional circumstances, a shareholder may have the right to seek damages in our name if a duty owed by our directors is breached.

The functions and powers of our board of directors include, among others:

- convening shareholders' annual general meetings and reporting its work to shareholders at such meetings;
- declaring dividends and distributions;
- appointing officers and determining the term of office of officers;
- exercising the borrowing powers of our Company and mortgaging the property of our Company; and
- approving the transfer of shares of our Company, including the registering of such shares in our share register.

Terms of Directors and Executive Officers

Our officers are elected by and serve at the discretion of the board. Our directors are not subject to a term of office and hold office until such time as they are removed from office by special resolution or the unanimous written resolution of all shareholders. A director will be removed from office automatically if, among other things, the director (i) becomes bankrupt or makes any arrangement or composition with his creditors or (ii) dies or is found by our Company to be or becomes of unsound mind. In addition, the service agreements between us and our directors do not provide benefits upon termination of their services. See also "Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Shareholders' Agreement."

Committees of the Board of Directors

Our board established an audit and risk committee, a compensation committee and a nominating and corporate governance committee in October 2018. Each committee has its defined scope of duties and terms of reference within its own charter, which empowers committee members to make decisions on certain matters and which are located on our website. Our audit and risk committee consists entirely of directors whom our board has determined to be independent under the "independence" requirements of the New York Stock Exchange Listed Company Manual. The current membership of these three committees and summary of its respective charter are provided below.

Audit and Risk Committee

Our audit and risk committee consists of Dominique Mielle, Kevin F. Sullivan and Nigel Alan Dean, and is chaired by Mr. Sullivan. All of our audit and risk committee members satisfy the "independence" requirements of Section 303A of the New York Stock Exchange Listed Company Manual and meet the independence standards under Rule 10A-3 under the Exchange Act. The audit and risk committee is responsible for assisting our board in overseeing and monitoring:

- the audits of the financial statements of our Company;
- the qualifications and independence of our independent auditors;

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- the performance of our independent auditors;
- the accounting and financial reporting processes of our Company and the integrity of our systems of internal accounting and financial controls;
- legal and regulatory issues relating to the financial statements of our Company, including oversight of the independent auditors, review of the financial statements and related material, internal audit process and the procedure for receiving complaints regarding accounting, internal accounting controls, auditing or other related matters;
- the disclosure, in accordance with our relevant policies, of any material information regarding the quality or integrity of our financial statements;
- the integrity and effectiveness of our internal audit function; and
- the Company's risk management policies, procedures and practices.
- The other duties of the audit and risk committee include:
 - reviewing and recommending to our board for approval, the appointment, re-appointment or removal of the independent auditor, after considering its annual performance evaluation of the independent auditor;
 - approving the remuneration and terms of engagement of the independent auditor and pre-approving all auditing and non-auditing services permitted to be performed by our independent auditors;
 - at least annually, obtaining a written report from our independent auditor describing matters relating to its independence and quality control procedures;
 - discussing with our independent auditor and our management, among other things, the audits of the financial statements, including whether any material information brought to their attention should be disclosed, issues regarding accounting and auditing principles and practices and the management's internal control report;
 - reviewing and recommending the financial statements for inclusion within our quarterly earnings releases and to our board for inclusion in our annual reports;
 - approving all material related party transactions brought to its attention, without further approval of our board;
 - establishing and overseeing procedures for the handling of complaints and whistleblowing;
 - approving the internal audit charter and annual audit plans, and undertaking an annual performance evaluation of the internal audit function;
 - assessing senior management's policies and procedures to identify, accept, mitigate, allocate or otherwise manage various types of risks that may materially impact the Company's business, strategy, operation, financials and reputation, including without limitation, legal, compliance and operational risks and other evolving risks such as cybersecurity threats, and making recommendations with respect to our risk management process for the board's approval;
 - reviewing our financial controls, internal control and risk management systems, and discussing with our management the system of internal control and ensuring that our management has discharged its duty to have an effective internal control system including the adequacy of resources, the qualifications and experience of our accounting and financial staff, and their training programs and budget;
 - together with our board, evaluating the performance of the audit and risk committee on an annual basis;
 - assessing the adequacy of the charter of the audit and risk committee; and
 - co-operating with the other board committees in any areas of overlapping responsibilities.

Compensation Committee

Our compensation committee consists of Dominique Mielle, Kevin F. Sullivan, David Anthony Reganato and Nigel Alan Dean, and is chaired by Mr. Dean. Each of Dominique Mielle, Kevin F. Sullivan and Nigel Alan Dean satisfies the “independence” requirements of Section 303A of the New York Stock Exchange Listed Company Manual. Our compensation committee assists the board in discharging the responsibilities of the board relating to compensation of our directors and property general manager, including, among others, to design (in consultation with management), evaluate and approve the compensation for the property general manager and evaluate and recommend to our board for approval proposals related to directors’ compensation. Members of this committee are not prohibited from direct involvement in determining their own compensation.

Our property general manager may not be present at any compensation committee meeting during which his compensation is deliberated upon. The compensation committee will be responsible for, among other things:

- overseeing the development and implementation of executive compensation programs in consultation with our management;
- at least annually, making recommendations to our board with respect to the compensation arrangements for our independent directors, and approving compensation arrangements for our property general manager;
- as applicable, reviewing and approving our incentive-compensation plans (if any) and equity grant (if any) under its share incentive plans (if any) and overseeing the administration of these plans and discharging any responsibilities imposed on the compensation committee by any of these plans;
- reviewing and approving the compensation payable to our directors and property general manager in connection with any loss or termination of their office or appointment;
- reviewing and approving any benefits in kind received by any director or property general manager where such benefits are not provided for under the relevant employment terms;
- reviewing executive officer and director indemnification and insurance matters;
- overseeing our regulatory compliance with respect to compensation matters, including our policies and restrictions on compensation plans and loans to officers and directors;
- together with the board, evaluating the performance of the compensation committee on an annual basis;
- assessing the adequacy of the charter of the compensation committee; and
- co-operating with the other board committees in any areas of overlapping responsibilities.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee consists of Dominique Mielle, Kevin F. Sullivan, Dale Robert Black and Nigel Alan Dean, and is chaired by Ms. Mielle. Each of Dominique Mielle, Kevin F. Sullivan and Nigel Alan Dean satisfies the “independence” requirements of Section 303A of the New York Stock Exchange Listed Company Manual. The nominating and corporate governance committee will be responsible for, among other things, assisting our board in discharging its responsibilities regarding:

- the identification of qualified candidates to become members and chairs of the board committees and to fill any such vacancies, and reviewing the appropriateness of the continued service of directors;
- ensuring that our board meets the criteria for independence under the New York Stock Exchange corporate governance rules and nominating directors who meet such independence criteria;
- oversight of our compliance with legal and regulatory requirements, in particular the legal and regulatory requirements of Macau, the Cayman Islands, the SEC and the New York Stock Exchange;

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- the development and recommendation to our board of a set of corporate governance principles applicable to our Company; and
- the disclosure, in accordance with our relevant policies, of any material information (other than that regarding the quality or integrity of our financial statements).
- The other duties of the nominating and corporate governance committee include:
- making recommendations to our board for its approval, the appointment or re-appointment of any members of our board and the chairs and members of its committees, including evaluating any succession planning;
- reviewing on an annual basis the appropriate skills, knowledge and characteristics required of board members and of the committees of our board and making any recommendations to improve the performance of our board and its committees;
- developing and recommending to our board such policies and procedures with respect to nomination or appointment of members of our board and chairs and members of its committees or other corporate governance matters as may be required pursuant to any SEC or New York Stock Exchange rules, or otherwise considered desirable and appropriate;
- developing a set of corporate governance principles and reviewing such principles at least annually;
- deciding whether any material information which is brought to its attention (other than that regarding the quality or integrity of our financial statements) should be disclosed;
- reviewing and monitoring the training and continuous professional development of our directors and senior management;
- developing, reviewing and monitoring the code of conduct and compliance manual applicable to staff and directors;
- together with the board, evaluating the performance of the committee on an annual basis;
- assessing the adequacy of the charter of the nominating and corporate governance committee; and
- co-operating with the other board committees in any areas of overlapping responsibilities.

Employment Agreements

We have, through our subsidiary, entered into an employment agreement with our property general manager. Subject to all relevant permits being in place, our property general manager is employed for a continuous term, unless either party gives prior notice to terminate such employment. We may terminate the employment for cause at any time by immediate notice and without remuneration for certain acts, including but not limited to the commitment of any serious breach, continued failure to perform duties and responsibilities, any serious criminal offense or habitual neglect of duties. Our property general manager may terminate his employment at any time with a six-month prior written notice.

Our property general manager has agreed to hold, both during and after the employment agreement expires or is earlier terminated, in confidence and not to use or disclose to any person, firm or corporation, any confidential information. Our property general manager has also agreed to disclose to us all intellectual property rights created, generated, made, conceived, authored, developed or acquired during employment with us and to waive all moral rights and rights of a similar nature in which copyright may subsist, created by him during the period of employment with us. In addition, our property general manager has agreed not to, for a certain period following termination of his employment: (i) be engaged, concerned or interested in any capacity (other than as a passive investor of not more than 5% of the issued ordinary shares of any company listed on a recognized investment exchange) with any business carried on within, among others, Hong Kong, Macau and the Philippines similar to or in competition with any restricted business, (ii) solicit or seek or endeavor to entice away any business orders of customers or (iii) induce, solicit or entice or endeavor to induce, solicit or entice away, or offer employment or engagement to, certain employees.

Our chief financial officer provides services to us pursuant to the Management and Shared Services Arrangements.

D. EMPLOYEES

Staff

There were 5,879, 5,848 and 5,286 dedicated staff members as of December 31, 2025, 2024 and 2023, respectively, performing services solely at Studio City. The Gaming Operator is responsible for the hiring, managing and training of the gaming staff and deducts such costs relating to such gaming staff from Studio City Casino's gross gaming revenue in accordance with the Studio City Casino Agreement. See "Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Studio City Casino Agreement." Under the Management and Shared Services Arrangements, the Master Service Providers, recruit, place, allocate, train, manage and supervise the staff who are solely dedicated to our property to perform corporate and administrative functions and carry out other non-gaming activities, and the relevant personnel costs are charged back to us. In addition, we receive certain centralized corporate and management services from the senior management and other shared service staff of the Master Service Providers who devote a portion of their time under the arrangements. See "Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Management and Shared Services Arrangements." The property general manager is employed by us. Our property general manager has oversight over all non-gaming staff members solely dedicated to Studio City and exercises input over their performance, which enables us to effectively evaluate their performance and manage talent. Our chief financial officer has oversight over our expenses (including shared service related items), receipts and disbursements, record-keeping and financial reporting to management and facilitates in the financial budgeting process. The following table indicates the distribution of these staff by function pursuant to the Management and Shared Services Arrangements as of December 31, 2025:

<u>Function</u>	<u>Number of Staff</u>
Management, Administrative and Finance	21
Gaming	1,779
Hotel	1,327
Food and Beverage	1,070
Property Operations	263
Entertainment	313
Marketing	263
W Macau	504
Others	339
Total	<u>5,879</u>

Through the Management and Shared Services Arrangements, we are able to leverage the resources and platform of the Master Service Providers to have qualified staff dedicated to working on our property. Our success depends on the ability of the Master Service Providers and us to attract, retain, motivate, and inspire qualified personnel. We believe that we maintain a good working relationship with the staff working at Studio City. We have not experienced any significant labor disputes. None of the dedicated staff members performing services solely at Studio City are members of any labor union and neither we nor any of the Master Service Providers are a party to any collective bargaining or similar agreement with such staff.

E. SHARE OWNERSHIP

Share Ownership of Directors and Members of Senior Management

The following table sets forth the beneficial interest of each director and executive officer in our ordinary shares as of March 6, 2026.

	Number of Class A ordinary shares	Number of Class B ordinary shares	Approximate percentage of voting power ⁽¹⁾
Directors and Executive Officers:			
Lawrence Yau Lung Ho ⁽²⁾	463,095,592	—	54.94%
Evan Andrew Winkler	—	—	—
Clarence Yuk Man Chung	*	—	*
Geoffrey Stuart Davis	—	—	—
Stephanie Cheung	—	—	—
Akiko Takahashi	—	—	—
David Anthony Reganato	—	—	—
Dale Robert Black	—	—	—
Dominique Mielle	—	—	—
Kevin F. Sullivan	*	—	*
Nigel Alan Dean	—	—	—
Kevin Richard Benning	—	—	—
Directors and executive officers as a group	463,150,896	—	54.95%

Notes:

* Represents less than 1% of our total outstanding shares.

- (1) Percentage of voting power represents percentage of voting interest of our Class A ordinary shares and Class B ordinary shares voting together as a single class. Class B ordinary share have no economic rights. Percentage of voting power of each director and executive officer is calculated by dividing the number of Class A ordinary shares and Class B ordinary shares beneficially owned by such person or group, including shares that such person or group has the right to acquire within 60 days after March 6, 2026, by the sum of (i) 842,864,460 which is the total number of Class A ordinary shares and Class B ordinary shares outstanding as of March 6, 2026, and (ii) the number of Class A ordinary shares and Class B ordinary shares that such person or group has the right to acquire beneficial ownership within 60 days of March 6, 2026.
- (2) Represents 401,028,304 Class A ordinary shares and 15,330,000 ADSs (representing 61,320,000 Class A ordinary shares) held by MCO Cotai and 747,288 Class A ordinary shares held by Melco International, among which include 118 ADSs (representing 472 Class A ordinary shares) held by an agent on its behalf. Mr. Lawrence Ho is taken to have interest in these shares as a result of his interest in approximately 61.37% of the total issued shares of Melco International, including his personal interest, interests that he is deemed to have interest in by virtue of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong), comprising interest of the companies which are owned or controlled by persons and/or trusts associated with him, interests of companies which are controlled by discretionary family trusts in which he is one of the beneficiaries and interest of his spouse. See “Item 7. Major Shareholders and Related Party Transactions — A. Major Shareholders.”

None of our directors or executive officers who are shareholders have different voting rights from other shareholders of our Company.

F. DISCLOSURE OF A REGISTRANT’S ACTION TO RECOVER ERRONEOUSLY AWARDED COMPENSATION

Not applicable.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS**A. MAJOR SHAREHOLDERS**

The following table sets forth the beneficial ownership of our ordinary shares as of March 6, 2026 by all persons who are known to us to be the beneficial owners of 5% or more of our share capital.

<u>Name</u>	<u>Number of Class A ordinary shares beneficially owned</u>	<u>Number of Class B ordinary shares beneficially owned</u>	<u>Percentage Voting Power⁽¹⁾</u>
Melco International ⁽²⁾	463,095,592	—	54.94%
New Cotai, LLC ⁽³⁾	124,596,560	72,511,760	23.39%
The Silver Point Funds ⁽⁴⁾	114,757,656	—	13.62%

Notes:

- (1) Beneficial ownership is determined in accordance with Rule 13d-3 under the Exchange Act, and includes voting or investment power with respect to the securities. Percentage voting power represents percentage of voting interest of our Class A ordinary shares and Class B ordinary shares voting together as a single class. Class B ordinary share have no economic rights.
- (2) Represents 401,028,304 Class A ordinary shares and 15,330,000 ADSs (representing 61,320,000 Class A ordinary shares), constituting 60.02% of the outstanding Class A ordinary shares, held by MCO Cotai and 747,288 Class A ordinary shares, constituting 0.1% of the outstanding Class A ordinary shares, held by Melco International, among which include 118 ADSs (representing 472 Class A ordinary shares) held by an agent on its behalf. Melco International is the sole shareholder of Melco Leisure and Entertainment Group Limited, or Melco Leisure, which is the majority shareholder of Melco Resorts, a publicly-traded company whose American depository shares are listed on the Nasdaq Global Select Market. Melco Resorts is the sole shareholder of MCO Holdings Limited, or MCO Holdings, which is the sole shareholder of MCO Cotai. Mr. Lawrence Ho is or is deemed to be interested in an approximately 61.37% of the total issued shares of Melco International, including shares Mr. Lawrence Ho personally holds, shares that he is deemed to be interested in by virtue of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong), comprising shares held by the companies which are owned or controlled by the persons and/or trusts associated with him, shares held by companies which are controlled by discretionary family trusts in which he is one of the beneficiaries, and shares held by his spouse. The registered address for each of MCO Cotai and MCO Holdings is Intertrust Corporate Services (Cayman) Limited, One Nexus Way, Camana Bay, Grand Cayman KY1-9005, Cayman Islands. The principal business address for Melco Resorts is 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong. The principal business address for Melco Leisure is c/o 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong. The principal business address for Mr. Lawrence Ho and Melco International is 38th Floor, The Centrium, 60 Wyndham Street, Central, Hong Kong.
- (3) Represents 72,511,760 Class B ordinary shares, constituting 100.0% of the outstanding Class B ordinary shares and, as of December 31, 2025, 31,149,140 ADS (representing 124,596,560 Class A ordinary shares), constituting 16.2% of the outstanding Class A ordinary shares, directly held by New Cotai, LLC. Subject to the terms of the exchange arrangements described in “Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Pre-IPO Organizational Transactions,” New Cotai, subject to certain conditions, may exchange its Participation Interest for Class A ordinary shares. In connection with such exchange, the corresponding number of Class B ordinary shares will be canceled for no consideration. See “Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Pre-IPO Organizational Transactions — Participation Agreement.” The number of Class A ordinary shares do not reflect the 72,511,760 of Class A ordinary shares issuable upon exchange by New Cotai of its Participation Interest. The business address of New Cotai is 2700 Patriot Boulevard, Suite 250, Glenview, Illinois 60026.
- (4) Represents 400 Class A ordinary shares and 28,689,314 ADSs (representing 114,757,256 Class A ordinary shares), constituting 14.9% of the outstanding Class A ordinary shares, held by Silver Point Capital Fund,

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L.P., Silver Point Capital Offshore Master Fund, L.P., Silver Point Distressed Opportunities Fund, L.P., Silver Point Distressed Opportunities Offshore Master Fund, L.P., Silver Point Distressed Opportunity Institutional Partners Master Fund (Offshore), L.P. and Silver Point Distressed Opportunity Institutional Partners, L.P., or the Silver Point Funds, as of September 30, 2024. Silver Point Capital, L.P. or its wholly owned subsidiaries are the investment manager of the Silver Point Funds and Silver Point Capital Management, LLC is the general partner of Silver Point Capital, L.P. The address of the principal business office of Silver Point Capital, L.P. is Two Greenwich Plaza, Greenwich, Connecticut 06830. Information regarding beneficial ownership is based on the information contained in the Schedule 13G/A filed by Silver Point Capital L.P. with the SEC on November 14, 2024.

Other than as provided in the table above, reports filed with or furnished to the SEC, public disclosure, including without limitation Schedule 13 filings, and this annual report, we are not aware of any significant change in the percentage ownership held by any major shareholder since January 1, 2023.

As of December 31, 2025, a total of 842,864,460 Class A ordinary shares and Class B ordinary shares were outstanding, of which 368,577,180 Class A ordinary shares were registered in the name of a nominee of Deutsche Bank Trust Company Americas, the depository under the deposit agreement. Other than as described in this annual report, we have no further information as to shares held, or beneficially owned, by U.S. persons. Since the completion of our initial public offering in October 2018, all ordinary shares underlying the ADSs have been held in Hong Kong by the custodian, Deutsche Bank AG, Hong Kong Branch, on behalf of the depository.

None of our shareholders have different voting rights from other shareholders. We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our Company.

Immediately prior to the Organizational Transactions, 60% of the equity interest in us was directly held by MCO Cotai and 40% of the equity interest in us was directly held by New Cotai.

See “Item 4. Information on the Company — C. Organizational Structure” for our current corporate structure.

B. RELATED PARTY TRANSACTIONS

For a discussion of significant related party transactions we entered into during the years ended December 31, 2025, 2024 and 2023, see note 17 to the consolidated financial statements included elsewhere in this annual report.

Pre-IPO Organizational Transactions

Immediately prior to the Organizational Transactions, 60% of the equity interest in us was directly held by MCO Cotai and 40% of the equity interest in us was directly held by New Cotai. Prior to the completion of our initial public offering, we entered into an implementation agreement, or the Implementation Agreement, with MCO Cotai, Melco Resorts, New Cotai and MSC Cotai to effect and implement the Organizational Transaction, which included the following:

- We amended and restated our memorandum of association and articles of association to, among other things, authorize two classes of ordinary shares.
- MCO Cotai’s 60% equity interest in our Company was reclassified into Class A ordinary shares.
- New Cotai’s 40% equity interest in our Company was exchanged for Class B ordinary shares.
- In addition, New Cotai was granted a Participation Interest in MSC Cotai, the terms of which are set forth in the Participation Agreement that was entered into by MSC Cotai, New Cotai and us. See “— Participation Agreement.”
- The Participation Agreement provides that New Cotai is entitled to exchange all or a portion of its Participation Interest for a number of Class A ordinary shares subject to adjustments, exceptions

and conditions as set out in the Participation Agreement. See “— Participation Agreement.” When New Cotai exchanges all or a portion of the Participation Interest for Class A ordinary shares pursuant to the terms of exchange set forth in the Participation Agreement and described herein, a proportionate number of Class B ordinary shares will be deemed surrendered and automatically canceled for no consideration as set out in the Participation Agreement.

Participation Agreement

As part of the Organizational Transactions, we, MSC Cotai and New Cotai entered into the participation agreement, or the Participation Agreement, pursuant to which MSC Cotai granted a participation interest, or the Participation Interest, to New Cotai (as the sole initial holder of the Participation Interest). Pursuant to the terms of the Participation Agreement, New Cotai or any permitted transferees to whom all or part of the Participation Interest may be transferred (collectively referred to as the Participants) are entitled to receive from MSC Cotai a ratable proportionate amount of the distributions and dividends paid by MSC Cotai to the Company. The Participation Agreement also provides that the Participants are entitled to exchange all or a portion of its Participation Interest, along with the deemed surrender and automatic cancellation of a corresponding number of Class B ordinary shares, for the ratable number of Class A ordinary shares.

Payments on the Participation Interest. Generally, Participants are entitled to receive a ratable proportionate amount of the distributions and dividends paid by MSC Cotai to the Company. Such ratable proportionate amount due to each Participant is generally determined by multiplying the amount of the relevant distribution or dividend paid by MSC Cotai to the Company by the number of percentage points represented by such Participant’s Participation Interest, subject to adjustment from time to time as set forth in the Participation Agreement (the “Participation Percentage”).

Adjustments to Participation Interest and the Number of Class B Ordinary Shares Held. Generally, the Participation Interest is subject to adjustments in the case of (i) the new issuances of shares of MSC Cotai to the Company in exchange for capital contributions by the Company to MSC Cotai (including as a result of our initial public offering), (ii) repurchases and redemptions by MSC Cotai of shares of MSC Cotai, and (iii) any exchanges of the Participation Interest, as follows. In addition, the number of Class B ordinary shares held by each Participant will be adjusted by the Company from time to time so that the voting interest represented by such Class B ordinary shares is equal to the economic right represented by the Class A ordinary shares that such Participant would receive if such Participant would exchange its entire Participation Interest for Class A ordinary shares at such time.

Capital Contributions. Upon any Class A ordinary share issuance by the Company, the Company will contribute all proceeds to MSC Cotai and MSC Cotai will issue the same number of new shares of MSC Cotai to the Company and the Participation Interest will be adjusted to reflect the dilution that would have occurred if the Participants had been holding a corresponding number of Class A ordinary shares instead of the Participation Interest. This back-to-back arrangement for share issuances by the Company and MSC Cotai will apply to share issuances (i) to non-affiliates, (ii) to affiliates that are approved by the Company directors that are disinterested in the transaction, (iii) for assured entitlement arrangements, and (iv) pursuant to public offerings. Issuances to affiliates, unless they are made through public offerings, will generally be subject to pre-emption as further described below.

Share Repurchases and Redemptions. In the event that MSC Cotai carries out a share redemption or repurchase of shares of MSC Cotai (the proceeds of which must be used by the Company to redeem Class A ordinary shares in a back-to-back arrangement), the Participation Interest will be adjusted to reflect the effect of such share redemption or repurchase if the Participants had been holding a corresponding number of Class A ordinary shares instead of the Participation Interest.

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Exchanges of Participation Interest. A Participant may elect, from time to time, to exchange its Participation Interest, in whole or in part, for Class A ordinary shares. When electing to exchange, a Participant must deliver an exchange notice to MSC Cotai, which notice must be delivered at least five business days prior to the proposed exchange date; provided, that settlement may not occur later than 90 days from the notice date. The exchanging Participant may withdraw its exchange notice at any time prior to the exchange date. Each party will bear its own expenses in connection with an election to exchange. If an election to exchange request is withdrawn, the Participant will reimburse MSC Cotai for all out-of-pocket expenses incurred by MSC Cotai and the Company in connection with such withdrawn exchange. Following any exchange of all or a portion of the Participation Interest for Class A ordinary shares, the Participation Interest will be reduced to reflect the decrease in number of Class A ordinary shares that such Participant would be entitled to receive post-exchange if all of the remaining Participation Interest were to be exchanged.

Mandatory Exchanges. In case of certain change of control events relating to the Company, distributions to be made upon MSC Cotai's liquidation, dissolution or unwinding or when the holders of the Participation Interest hold less than the specified minimum threshold set out in the Participation Agreement in the Company resulting in a termination of the Participation Agreement, and in certain other cases, any outstanding Participation Interest must be surrendered to MSC Cotai (along with the corresponding number of Class B ordinary shares) by the holders for Class A ordinary shares, or, at MSC Cotai's option, for cash in certain cases.

Preemptive Rights. If the Company (1) proposes to offer equity securities solely or primarily to Melco Resorts or one of its affiliates (except in connection with a public offering, equity incentive plan or assured entitlement arrangements) or (2) grants any right, option or warrant (other than in connection with any equity plan) at a price per share less than the current price of average Class A ordinary shares, or that does not expire by the 30th day after such grant, each Participant will have the pro rata right to purchase an increase in its Participation Interest or to receive similar rights, options or warrants, as case may be so as to maintain its then-existing number of percentage points represented by its Participation Interest, subject to certain conditions.

Other Provisions

Capital Contributions. The Company is required to contribute to MSC Cotai all net proceeds received by it from sales of equity securities and sales of assets.

Debt Arrangements. If the Company enters into any debt financing or other borrowing arrangement, the Company will be required to loan the entire proceeds from such financing or borrowing arrangement to MSC Cotai on the same terms and conditions that the Company borrowed such proceeds.

HoldCo Relationship. The Company covenants that it will always own all of the issued and outstanding shares of MSC Cotai, and that it will not own equity interests in any other entity.

Permitted Transferees. Holders of the Participation Interests are able to transfer all or part of their Participation Interest and any rights in respect thereof to certain permitted transferees, as provided in the Participation Agreement, subject to certain conditions. The total Participation Interest percentage will not be changed as a result of such transfers. At any given time, the number of participants may not exceed the prescribed number set out in the Participation Agreement and any transfer in violation of such limit or other applicable provisions of the Participation Agreement will be null and void.

Termination, Governing Law and Arbitration. The Participation Agreement will terminate when the holders of the Participation Interest hold less than the specified minimum threshold set out in the participation agreement in the Company. The Participation Agreement is governed by New York law, and any disputes, other than certain disputed calculations under the Participation Agreement and any claims seeking injunctive relief, which can be sought in courts in Hong Kong, are intended to be resolved by arbitration sitting in Hong Kong including any disputes under the U.S. federal securities laws and claims not in connection with our initial public

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offering. We believe arbitration provisions in commercial agreements are generally respected by federal courts and state courts of New York.

Shareholders' Agreement

In connection with our initial public offering and the Organizational Transactions, we entered into an amended shareholders agreement with Melco Resorts, MCO Cotai and New Cotai which took effect immediately after the completion of our initial public offering (as amended, the "Shareholders' Agreement"). The Shareholders' Agreement contains a variety of provisions governing the relationship between MCO Cotai and New Cotai, as our shareholders, including but not limited to the composition of the board of directors, related party transactions, corporate governance, the development and operation of Studio City, restrictions on transfer of certain of our shares and other related matters.

Registration Rights Agreement

In connection with our initial public offering and the Organizational Transactions, we entered into an amended Registration Rights Agreement with New Cotai which took effect on October 16, 2018 (as amended and restated, the "Registration Rights Agreement"). Under the Registration Rights Agreement, New Cotai, holder of our registrable securities, has certain registration rights with respect to: (i) any Class A ordinary shares, (ii) any other stock or securities that the holder of Class A ordinary shares may be entitled to receive, or have received, (iii) any securities issued or issuable directly or indirectly with respect to the securities referred to in the foregoing clause (i) or (ii) by way of conversion, substitution or exchange thereof or share dividend or share split or in connection with a combination of shares, recapitalization, reclassification, merger, amalgamation, arrangement, consolidation or other reorganization subject to the terms and conditions set forth in the Registration Rights Agreement.

Employment Agreements

See "Item 6. Directors, Senior Management and Employees — C. Board Practices — Employment Agreements."

Transaction with the Gaming Operator under Studio City Casino Agreement

Under the Studio City Casino Agreement, the Gaming Operator is responsible for the operation of Studio City Casino and deducts gaming taxes and the costs incurred in connection with its operation of Studio City Casino from the gross gaming revenues. We receive the residual gross gaming revenues and recognize these amounts as revenue from casino contract. See "— Studio City Casino Agreement" for details of the terms of the Studio City Casino Agreement.

In 2025, 2024 and 2023, revenue from casino contract were US\$305.9 million, US\$259.8 million and US\$155.5 million, respectively. Revenue from casino contract is net of gaming taxes and the costs incurred in connection with the on-going operation of Studio City Casino which are deducted by the Gaming Operator. Total gaming taxes and the costs incurred in connection with the on-going operation of Studio City Casino deducted from gross gaming revenues were US\$1.08 billion, US\$1.06 billion and US\$756.9 million in 2025, 2024 and 2023, respectively.

Studio City Casino Agreement

On May 11, 2007, our subsidiary, Studio City Entertainment, and the Gaming Operator entered into a services and right to use agreement (as amended on June 15, 2012 and June 23, 2022, together with the reimbursement agreement of the same date and other agreements or arrangements entered into from time to time regarding the operation of Studio City Casino) pursuant to which the Gaming Operator operated Studio City Casino. The Studio City Casino Agreement set forth the terms and conditions for the operation of Studio City Casino by the Gaming Operator and the obligations of Studio City Entertainment in respect thereof.

Under the Studio City Casino Agreement, the Gaming Operator manages the day-to-day operations of the Studio City Casino, provides the necessary security and develops and implements all systems and controls necessary for Studio City Casino. The Gaming Operator also recruits all casino staff, including dealers, cashiers, security and surveillance personnel and managers. The Gaming Operator will deduct gaming taxes and costs incurred in connection with its operation of Studio City Casino. Such costs include the costs for utilization of any gaming tables for operation of the Studio City Casino above 26.4% of the Gaming Operator's overall gaming tables allocated to the Gaming Operator by the Macau government. As the Gaming Operator was allocated 750 gaming tables by the Macau government, pursuant to the Studio City Casino Agreement, the Gaming Operator is permitted to deduct costs for the utilization of gaming tables for operation at the Studio City Casino which exceed 198 gaming tables provided such costs have been approved by the Company's related party transactions policy. In addition, these costs include the costs for utilization of electronic gaming machines for operation at Studio City Casino above 552 electronic gaming machines which was the number of electronic gaming machines initially allocated by the Gaming Operator to Studio City Casino as a result of the Macau government's allocation of 2,100 electronic gaming machines to the Gaming Operator under the Concession, provided such costs have also been approved by the Company's related party transactions policy. Studio City Entertainment receives the residual gross gaming revenues and recognizes these amounts as our revenue from the Studio City Casino Agreement.

The Studio City Casino Agreement is subject to customary events of default, including failure of Studio City Entertainment to make any payment required by the agreement or any action by Studio City Entertainment which causes or is likely to cause the Gaming Operator to be in breach of its concession. The parties may terminate the Studio City Casino Agreement in the event of a default under the Studio City Casino Agreement or, among others, as a result of regulatory review, except that as long as Studio City Entertainment is directly or indirectly under the control of Melco Resorts, the Gaming Operator may not terminate the Studio City Casino Agreement.

The Gaming Operator currently allocates an additional 248 electronic gaming machines for operation at Studio City Casino, which allocation may be terminated upon 30 days' written notice by either Studio City Entertainment or the Gaming Operator. In addition, the Gaming Operator currently allocates 61 gaming tables for operation at Studio City Casino, which such allocation may also be terminated upon 30 days' written notice by either Studio City Entertainment or the Gaming Operator.

Management and Shared Services Arrangements

Master Services Agreement

On December 21, 2015, the Studio City Entities and the Master Service Providers entered into the Master Services Agreement, which sets out the terms and conditions that apply to certain services to be provided under the Work Agreements by the Master Service Providers to the Studio City Entities and vice versa.

Under the Management and Shared Services Arrangements, the Master Service Providers recruit, allocate, train, manage and supervise a majority of the staff who are all solely dedicated to our property to perform our corporate and administrative functions and carry out other non-gaming activities, including food and beverage management, retail management, hotel management, entertainment projects, mall development and sales and marketing activities. In addition, leveraging the resources and platform of Melco Resorts, we receive services from the Master Service Providers, including operational management services and general corporate services, such as payroll, human resources, information technology, marketing, accounting and legal services.

Each type of service to be provided is to be set out in a separate Work Agreement between the relevant Studio City Entities and the Master Service Providers. As required by the parties, additional Work Agreements

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(conforming to the pre-agreed format) may be entered into. New Master Service Providers or Studio City Entities may also accede to existing Work Agreements as agreed between the parties. The parties to a Work Agreement may also agree to modify or add to the services covered by that Work Agreement.

The Master Services Agreement is effective until December 31, 2032 unless terminated, extended or renewed by mutual agreement of the parties in writing. The Master Services Agreement may be terminated (a) by mutual agreement in writing, (b) automatically if the Services and Right to Use Agreement is terminated, (c) by any party upon a 30-day prior written notice if all Work Agreements have been terminated and are no longer in effect, (d) by the Master Service Providers (i) when there is a material breach by a Studio City Entity which remains uncured after 30 days of written notice provided by the Master Service Providers of such breach, or (ii) upon a specified change of control event whereby Melco Resorts does not directly or indirectly control the Company or any other entity that controls Studio City and the gaming areas in particular, or where relevant actions taken by any lenders lead to the foregoing results, and (e) by the Studio City Entities upon any material breach by a Master Service Provider which remains uncured after 30 days of written notice of such breach. If the Master Services Agreement is terminated, all Work Agreements shall automatically terminate.

In case of any breach by either party under the “provision of services” and “standard of care; quality” clauses under the Master Services Agreement, the exclusive remedy of the non-breaching party, subject to indemnification for third-party claims and certain limitations on liabilities regarding consequential and other damages as well as caps on a party’s liability equal to the fees paid or charged under the relevant Work Agreement, is for the breaching party to (a) perform or re-perform the relevant services if reasonably determined by the non-breaching party that the performance of the relevant services is commercially practicable and/or (b) refund any fees paid if reasonably determined by the non-breaching parties that performance or re-performance is not commercially practicable or would not be sufficient compensation for the breach. Otherwise, parties of the Master Services Agreement may seek through arbitration or in a court of competent jurisdiction for specific performance, temporary, preliminary or permanent injunction relief and other interim measure to prevent breaches or threatened breaches.

In the event the Management and Shared Services Arrangements are terminated, all accrued unpaid fees for relevant services will be due and payable immediately. Between the notice of termination or six months prior to the expiration and the termination or expiration date, the parties to such agreements may enter a period of transition. During the transition period, at the request of a service recipient, a service provider will cause its third-party vendors to assist and cooperate and work together with the service recipient to assist in the transition of the performance of such terminated services, including by (a) making available necessary information and materials as requested by the service recipient (excluding intellectual property), (b) complying with the termination or transition provisions of the applicable Work Agreement, (c) making available to the service recipient any personnel to answer questions that the service recipient may have regarding the terminated services or management and operation in relation thereto, and (d) assisting in development and installation of hardware and software systems as necessary to continue to manage and operate its business and properties relating to the terminated services. The transition period can be extended by up to 180 days, but cannot be extended beyond December 31, 2032.

The Master Services Agreement provides for a regular review process to ensure the quality of the services provided and for payments and charges made in accordance with the Work Agreements. Significant contested items and other disputes may, if unable to be resolved amicably, ultimately be referred to arbitral proceedings.

Work Agreements

We entered into eight Work Agreements on December 21, 2015, between certain of the Master Service Providers and the Studio City Entities. The Work Agreements cover: (1) services related to the sale and purchase of certain property, plant and equipment and inventory and supplies; (2) corporate services; (3) certain

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pay-as-used charges; (4) operational and property sharing services; (5) limousine transportation services provided by the Master Service Providers; (6) aviation services; (7) collection and payment services; and (8) limousine transportation services provided by the Studio City Entities. The terms of the Work Agreements run concurrently with the Master Services Agreement.

Certain of the Work Agreements state that only the Master Service Providers can provide certain services to the Studio City Entities, and not vice versa. This is because the Studio City Entities are not in a position to provide many of the services that they receive from the Master Service Providers, such as corporate, provision of personnel, construction, development and aviation services. For other types of services, either the Master Service Providers or the Studio City Entities may be service providers. These include intra-party sales of inventory and supplies, computer software and hardware services, limousine services and sales services in relation to attraction tickets.

Payment arrangements between the service provider and service recipient are provided for in the individual Work Agreement and may vary depending on the services provided. Corporate services are charged at pre-negotiated rates, subject to a base fee and cap. Senior management service fees and staff costs on operational services are allocated to us based on a percentage of efforts on the services provided to us. Other costs in relation to shared office equipment are allocated based on percentages of usage. Each of the Work Agreements also outlines the fees and reasonable documented out-of-pocket expenses that will be due from the service recipient to the service provider.

Services and Right to Use Direct Agreement

On November 26, 2013, Studio City Company, the Gaming Operator, Studio City Holdings Five Limited and the security agent under the SCC 2013 Project Facility, among others, entered into the Services and Right to Use Direct Agreement, which sets forth, among other things, certain restrictions on the rights of the Gaming Operator to (subject to the necessary regulatory approvals being obtained) suspend the continued operation of Studio City Casino and/or terminate the Studio City Casino Agreement.

C. INTERESTS OF EXPERTS AND COUNSEL

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION

We have appended consolidated financial statements filed as part of this annual report.

Legal and Administrative Proceedings

From time to time, we may become subject to legal and administrative proceedings, investigations and claims incidental to, or arising out of, the ordinary course of our business, including but not limited to, the construction, renovation, licensing or operation of non-gaming premises which may, from time to time, involve closure or suspension of operations or construction works while administrative proceedings are pending. We are not currently a party to, nor are we aware of, any material legal or administrative proceeding, investigation or claim which, in the opinion of our management, individually or in the aggregate, may have, or have had in the recent past, significant effects on our business, financial condition or results of operations. We may also from time to time initiate legal proceedings to protect our rights and interests.

Dividend Policy

We have not previously declared or paid cash dividends and do not have any plan to declare or pay any dividends in the foreseeable future. We currently intend to retain most, if not all, of our available funds and any future earnings to repay or refinance our debt, fund our ongoing operations and fund the development and growth of our business.

Our board of directors has discretion as to whether to distribute dividends, subject to certain requirements of Cayman Islands law and certain restrictions set forth in the instruments in relation to our outstanding borrowings. Under Cayman Islands law, a Cayman Islands company may pay a dividend out of either profit or share premium account, provided that in no circumstances may a dividend be paid if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant. If we pay any dividends on our Class A ordinary shares, we will pay those dividends which are payable in respect of the Class A ordinary shares underlying our ADSs to the depository, as the registered holder of such Class A ordinary shares, and the depository then will pay such amounts to the ADS holders who will receive payment to the same extent as holders of our Class A ordinary shares, subject to the terms of the deposit agreement, including the fees and expenses payable thereunder. Cash dividends on our Class A ordinary shares, if any, will be paid in U.S. dollars.

We are a holding company incorporated in the Cayman Islands. For our cash requirements, including any payment of dividends to our shareholders, we rely on dividends distributed by our subsidiaries in Macau, Hong Kong and the British Virgin Islands to MSC Cotai and MSC Cotai to us. The Macau regulations may restrict the ability of our Macau subsidiaries to pay dividends to us. For example, our Macau subsidiaries are subject to a Macau complementary tax of up to 12% on taxable income, as defined in the relevant tax laws. However, we were granted a Macau complementary tax exemption only through 2021 on profits generated from income received from the Gaming Operator, to the extent that such income results from gaming operations within Studio City Casino and has been subject to gaming tax. We continue to remain subject to Macau complementary tax on our non-gaming profits. See “Item 4. Information on the Company — B. Business Overview — Taxation.” Furthermore, regulations in Macau currently require our subsidiaries incorporated in Macau to set aside a minimum of 25% of the relevant entity’s profit after taxation to their legal reserve until the balance of the legal reserve reaches a level equivalent to 50% of its share capital and the legal reserve is not available for distribution to the shareholders of such subsidiaries. See “Item 3. Key Information — D. Risk Factors — Risks Relating to Our Shares and ADSs — Because we do not expect to pay dividends in the foreseeable future, you must rely on price appreciation of our ADSs for return on your investment.”

In addition, the respective agreements governing our existing indebtedness including the agreement for the SCC 2021 Credit Facilities, the SCC 2024 Revolving Facilities, the 2027 SCC Senior Secured Notes, the 2028 SCF Senior Notes and the 2029 SCF Senior Notes contain certain covenants that, subject to certain exceptions and conditions, restrict the payment of dividends by some of our subsidiaries. See “Item 5. Operating and Financial Review and Prospects — B. Liquidity and Capital Resources — Restrictions on Distributions.”

B. SIGNIFICANT CHANGES

Except as disclosed elsewhere in this annual report, we have not experienced any significant changes since the date of our audited consolidated financial statements included in this annual report.

ITEM 9. THE OFFER AND LISTING

Not applicable, except for Item 9.A.4 and Item 9.C.

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Our ADSs, each representing four Class A ordinary shares, have been listed on the New York Stock Exchange under the symbol “MSC” from October 18, 2018.

ITEM 10. ADDITIONAL INFORMATION

A. SHARE CAPITAL

Not applicable.

B. MEMORANDUM AND ARTICLES OF ASSOCIATION

We are registered by way of continuation with the Cayman Islands Registrar of Companies and have been assigned company number 343696.

Enforceability of Civil Liabilities

We are incorporated in the Cayman Islands because of certain benefits associated with being a Cayman Islands exempted company, such as:

- political and economic stability;
- an effective judicial system;
- a favorable tax system;
- the absence of exchange control or currency restrictions; and
- the availability of professional and support services.

However, certain disadvantages accompany incorporation in the Cayman Islands. For example, the Cayman Islands has a less developed body of securities laws as compared to the United States and provides fewer protections to investors.

Virtually all of our assets are located outside of the United States. All of our current operations, and administrative and corporate functions are conducted in Macau, Hong Kong and Singapore. In addition, several of our directors and officers are nationals and residents of countries other than the United States. A very significant portion of the assets of these persons are located outside the United States. Due to the lack of reciprocity and treaties between the United States and some of these foreign jurisdictions, together with cost and time constraints, it may be difficult for you to effect service of process within the United States upon these persons. In particular, while none of our directors or officers spend a significant amount of time physically located in mainland China, all of our directors and officers, other than Ms. Mielle and Messrs. Sullivan, Dean, Reganato and Black, spend a significant amount of time physically located in Hong Kong and/or Macau. For the same reasons, it may also be difficult for you to enforce in the Cayman Islands, Macau, Hong Kong and Singapore courts judgments obtained in U.S. courts based on the civil liability provisions of the U.S. federal securities laws against our Company and our officers and directors, several of whom are not residents in the United States and the substantial portion of whose assets are located outside of the United States.

In addition, there is uncertainty as to whether the courts of the Cayman Islands, Macau, Hong Kong or Singapore would recognize or enforce judgments of U.S. courts against our Company or such persons predicated upon the civil liability provisions of the securities laws of the United States or any state. For instance, judgments of United States courts may not be directly enforced in Hong Kong. There are currently no treaties or other arrangements providing for reciprocal enforcement of foreign judgments between Hong Kong and the United

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States. However, the common law permits an action to be brought upon a foreign judgment. That is to say, a foreign judgment itself may form the basis of a cause of action since the judgment may be regarded as creating a debt between the parties to it. In a common law action for enforcement of a foreign judgment in Hong Kong, the enforcement is subject to various conditions, including but not limited to, that the foreign judgment is a final judgment conclusive upon the merits of the claim (but not otherwise), the judgment is for a liquidated amount in a civil matter and not in respect of taxes, fines, penalties, or similar charges, the proceedings in which the judgment was obtained were not contrary to natural justice, and the enforcement of the judgment is not contrary to public policy of Hong Kong. Such a judgment must be for a fixed sum and must also come from a “competent” court as determined by the private international law rules applied by the Hong Kong courts. The defenses that are available to a defendant in a common law action brought on the basis of a foreign judgment include lack of jurisdiction, breach of natural justice, fraud, and contrary to public policy. However, a separate legal action for debt must be commenced in Hong Kong in order to recover such debt from the judgment debtor. Similarly, the judgment of United States courts may not be directly enforced in Macau. There are currently no treaties or other arrangements providing for reciprocal enforcement of foreign judgments between Macau and the United States. However, Macau’s civil procedure law permits an action to be brought to the Macau Second Instance Court for the recognition of a judgment obtained in a foreign jurisdiction. That is to say, upon recognition, a foreign judgment itself would be treated by the courts of Macau as a cause of action in itself so that no retrial of the issues would be necessary. In an action for recognition of a foreign judgment in Macau, the recognition is subject to various conditions, including but not limited to, that the foreign judgment is a final judgment conclusive upon the merits of the claim, the judgment is not in respect of taxes, fines, penalties, or similar fiscal or tax revenue obligations, the proceedings in which the judgment was obtained were not contrary to natural justice, the enforcement of the judgment is not contrary to public policy of Macau, and interest charged to the debtor does not breach usury laws. Such a judgment must be for a definite sum and must also come from a “competent” court as determined by the private international law rules applied by the Macau courts. The defenses that are available to a defendant in an action brought for the recognition of a foreign judgment include lack of jurisdiction, breach of natural justice, fraud, inobservance of due process, improper service of process to the defendant, and contrary to public policy. However, a separate legal action for enforcement of the foreign judgment must be commenced in Macau in order to recover a debt from the judgment debtor, in case the debtor does not make voluntary payment of its debt upon recognition of the foreign judgment by the Courts in Macau.

Furthermore, it is uncertain whether such Cayman Islands, Macau, Hong Kong or Singapore courts would be competent to hear original actions brought in the Cayman Islands, Macau, Hong Kong or Singapore against us or such persons predicated upon the securities laws of the United States or any state. See “Item 3. Key Information — D. Risk Factors — Risks Relating to Our Shares and ADSs — You may have difficulty enforcing judgments obtained against us.”

The following are summaries of material provisions of our memorandum and articles of association and the Companies Act below, insofar as they relate to the material terms of our ordinary shares.

General

All of our outstanding ordinary shares are fully paid and non-assessable. Some of the ordinary shares are issued in registered form only with no share certificates. Our shareholders who are non-residents of the Cayman Islands may freely hold and vote their ordinary shares. Under Article 4 of our memorandum of association, the objects for which we were established are unrestricted and we have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Act.

Dividends

The holders of our Class A ordinary shares are entitled to such dividends as may be declared by our board of directors subject to the Companies Act and our articles of association. Holders of the Class B ordinary shares do not have any right to receive dividends or distributions upon our liquidation or winding up.

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Our articles of association require notice of any dividend that may have been declared to be given to each holder of our Class A ordinary shares or Class B ordinary shares and, pursuant to our articles of association, all dividends unclaimed for one year after having been declared may be forfeited by resolution of the directors for the benefit of the Company.

Voting Rights

Each of our Class A ordinary shares and Class B ordinary shares entitles its holder to one vote on all matters to be voted on by shareholders generally. Holders of our Class A and Class B ordinary shares vote together as a single class on all matters presented to our shareholders for their vote or approval, except as otherwise required by applicable law or our memorandum of association and articles of association. Voting at any meeting of shareholders is by show of hands unless a poll is demanded. A poll may be demanded by our chairman or one or more shareholders present in person or by proxy entitled to vote and who together hold not less than 20% of the paid up voting share capital of our Company.

A quorum required for a meeting of shareholders consists of one or more shareholders who hold at least 50 percent of our ordinary shares at the meeting present in person or by proxy or, if a corporation or other non-natural person, by its duly authorized representative. Shareholders' meetings are held at least annually and may be convened by our board on its own initiative or, failing a request by our board, upon a request to the directors by shareholders holding in aggregate at least 20 percent of our paid-up capital as at the date of deposit of the requisition carries the right of voting at such meetings. Advance notice of at least seven clear days is required for the convening of our annual general meeting and other shareholders meetings.

An ordinary resolution to be passed by the shareholders requires the affirmative vote of a simple majority of the votes attaching to the ordinary shares cast in a general meeting, while a special resolution requires the affirmative vote of not less than two-thirds of the votes cast attaching to the ordinary shares. A special resolution will be required for important matters such as changing our name or making changes to our memorandum and articles of association.

Transfer of Ordinary Shares

Subject to the restrictions in our memorandum and articles of association and the Participation Agreement, as applicable, any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or any other form approved by our board.

Our board of directors may, in its absolute discretion, decline to register any transfer of any ordinary share which is not fully paid up or on which we have a lien. Our directors may also decline to register any transfer of any ordinary share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of shares;
- the instrument of transfer is properly stamped, if required; or
- in the case of a transfer to joint holders, the number of joint holders to whom the ordinary share is to be transferred does not exceed four.

Our board of directors is required to refuse to register any purported transfer of Class B ordinary shares made otherwise than in compliance with the Participation Agreement.

If our directors refuse to register a transfer they must, within two months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal.

Exchange Right of New Cotai

Subject to certain conditions, New Cotai and its permitted transferees thereof may exchange their Participation Interest in MSC Cotai for a number of Class A ordinary shares. See “Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Pre-IPO Organizational Transactions — Participation Agreement.” If New Cotai exchanges all or a portion of the Participation Interest for Class A ordinary shares, it will also be deemed to have surrendered an equal number of Class B ordinary shares, and any Class B ordinary shares so surrendered will be canceled for no consideration. See “Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Pre-IPO Organizational Transactions — Participation Agreement.”

Liquidation

On a return of capital on winding up or otherwise (other than on conversion, redemption or purchase of ordinary shares), assets available for distribution among the holders of Class A ordinary shares will be distributed among the holders of the Class A ordinary shares on a pro rata basis. If our assets available for distribution are insufficient to repay all of the paid-up capital, the assets will be distributed so that the losses are borne by our shareholders proportionately. Holders of our Class B ordinary shares do not have any right to receive a distribution upon a liquidation or winding up of the Company.

Calls on Ordinary Shares and Forfeiture of Ordinary Shares

Our board may from time to time make calls upon shareholders for any amounts unpaid on their ordinary shares in a notice served to such shareholders at least 14 clear days prior to the specified time and place of payment. The ordinary shares that have been called upon and remain unpaid on the specified time are subject to forfeiture. Shareholders are not liable for any capital calls by the Company except to the extent there is an amount unpaid on their shares.

Redemption of Ordinary Shares

Subject to the provisions of the Companies Act, we may issue shares on terms that are subject to redemption, at our option or at the option of the holders, on such terms and in such manner as the directors may determine.

Prohibitions on the Receipt of Dividends, the Exercise of Voting or Other Rights or the Receipt of Other Remuneration

Our memorandum and articles of association prohibit anyone who is an unsuitable person or an affiliate of an unsuitable person from:

- receiving dividends or interest with regard to our shares;
- exercising voting or other rights conferred by our shares; and
- receiving any remuneration in any form from us or an affiliated company for services rendered or otherwise.

Such unsuitable person or its affiliate must sell all of the shares, or allow us to redeem or repurchase the shares on such terms and manner as the directors may determine and agree with the shareholders, within such period of time as specified by a gaming authority.

These prohibitions commence on the date that a gaming authority serves notice of a determination of unsuitability or our board determines that a person or its affiliate is unsuitable and continue until the securities are owned or controlled by persons found suitable by a gaming authority or our board, as applicable, to own

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them. An “unsuitable person” is any person who is determined by a gaming authority to be unsuitable to own or control any of our shares or who causes us or any affiliated company to lose or to be threatened with the loss of any gaming license, or who, in the sole discretion of our board, is deemed likely to jeopardize our or any of our affiliates’ application for, receipt of approval for right to the use of, or entitlement to, any gaming license.

The terms “affiliated companies,” “gaming authority” and “person” have the meanings set forth in our articles of association.

Redemption of Securities Owned or Controlled by an Unsuitable Person or an Affiliate

Our memorandum and articles of association provide that shares owned or controlled by an unsuitable person or an affiliate of an unsuitable person are redeemable by us, out of funds legally available for that redemption, by appropriate action of our board to the extent required by the gaming authorities making the determination of unsuitability or to the extent deemed necessary or advisable by our board having regard to relevant gaming laws. From and after the redemption date, the securities will not be considered outstanding and all rights of the unsuitable person or affiliate will cease, other than the right to receive the redemption price and the right to receive any dividends declared prior to any receipt of any written notice from a gaming authority declaring the suitable person to be an unsuitable person but not yet paid. The redemption price will be the price, if any, required to be paid by the gaming authority making the finding of unsuitability or, if the gaming authority does not require a price to be paid, the sum deemed to be the fair value of the securities by our board. The price for the shares will not exceed the closing price per share of the shares on the principal national securities exchange on which the shares are then listed on the trading date on the day before the redemption notice is given. If the shares are not then listed, the redemption price will not exceed the closing sales price of the shares as quoted on an automated quotation system, or if the closing price is not then reported, the mean between the bid and asked prices, as quoted by any other generally recognized reporting system. Our right of redemption is not exclusive of any other rights that we may have or later acquire under any agreement, its bylaws or otherwise. The redemption price may be paid in cash, by promissory note, or both, as required by the applicable gaming authority and, if not, as we elect.

Our memorandum and articles of association require any unsuitable person and any affiliate of an unsuitable person to indemnify us and our affiliated companies for any and all losses, costs and expenses, including legal fees, incurred by us and our affiliates as a result of, or arising out of, the unsuitable person’s or affiliate’s continuing ownership or control of shares, the neglect, refusal or other failure to comply with the provisions of our memorandum and articles of association relating to unsuitable persons, or failure to promptly divest itself of any shares in us when required by the relevant gaming laws or our memorandum and articles of association.

Variations of Rights of Shares

All or any of the rights attached to any class of shares may, subject to the provisions of our memorandum and articles of association and the Companies Act, be varied or abrogated either with the written consent of the holders of at least a majority of the issued shares of that class or with the approval of the holders of at least a majority of the shares of that class present in person or by proxy at a separate general meeting of the holders of the shares of that class.

Changes in Capital

We may from time to time by ordinary resolution (but subject to other provisions of our memorandum and of articles of association):

- increase the share capital by such sum, to be divided into shares of such classes and amount, as the resolution may prescribe;

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- consolidate and divide all or any of our share capital into shares of a larger amount than our existing shares;
- convert all or any of our paid-up shares into stock and reconvert that stock into paid up shares of any denomination;
- sub-divide our existing shares, or any of them, into shares of a smaller amount provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share will be the same as it was in case of the share from which the reduced share is derived; or
- cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of our share capital by the amount of the shares so canceled.

We may by special resolution (subject to our memorandum and articles) reduce our share capital and any capital redemption reserve in any manner authorized by law.

Accounts and Audit

No shareholder (other than a director) has any right to inspect any of our accounting record or book or document except as conferred by law or authorized by our board or our Company by ordinary resolution of the shareholders.

Subject to compliance with all applicable laws, we may send to every person entitled to receive notices of our general meetings under the provisions of the articles of association a summary financial statement derived from our annual accounts and our board's report.

Auditors shall be appointed and the terms and tenure of such appointment and their duties at all times regulated in accordance with the provisions of the articles of association. The remuneration of the auditors shall be fixed by our board.

Our financial statements shall be audited by the auditor in accordance with generally accepted auditing standards. The auditor shall make a written report thereon in accordance with generally accepted auditing standards and the report of the auditor shall be submitted to the shareholders in general meeting. The generally accepted auditing standards referred to herein may be those of a country or jurisdiction other than the Cayman Islands. If so, the financial statements and the report of the auditor should disclose this fact and name such country or jurisdiction.

Exempted Company

We are an exempted company incorporated with limited liability under the Companies Act. The Companies Act distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary resident company except for the exemptions and privileges listed below:

- annual reporting requirements are minimal and consist mainly of a statement that the company has conducted its operations mainly outside of the Cayman Islands and has complied with the provisions of the Companies Act;
- an exempted company's register of members is not open to inspection;
- an exempted company does not have to hold an annual general meeting;
- an exempted company may issue shares with or without par value;

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- an exempted company may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- an exempted company may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- an exempted company may register as a limited duration company; and
- an exempted company may register as a segregated portfolio company.

Differences in Corporate Law

The Companies Act is modeled after that of England and Wales but does not follow recent statutory enactments in England. In addition, the Companies Act differs from laws applicable to Delaware corporations and their shareholders. Set forth below is a summary of the significant differences between the provisions of the Companies Act applicable to us and the laws applicable to Delaware corporations and their shareholders.

Mergers and Similar Arrangements

The Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes:

- a “merger” means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company; and
- a “consolidation” means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company.

In order to effect a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by:

- a special resolution of the shareholders of each constituent company; and
- such other authorization, if any, as may be specified in such constituent company’s articles of association.

A merger between a parent company incorporated in the Cayman Islands and its subsidiary or subsidiaries incorporated in the Cayman Islands does not require authorization by a resolution of shareholders of the constituent companies provided a copy of the plan of merger is given to every shareholder of each subsidiary company to be merged unless that shareholder agrees otherwise. For this purpose, a subsidiary is a company of which at least ninety percent (90%) of the issued shares entitled to vote are owned by the parent company.

The plan of merger or consolidation must be filed with the Registrar of Companies in the Cayman Islands together with a declaration (among other matters) as to the solvency of the consolidated or surviving company, a declaration as to the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger and consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. The fair value of the shares will be determined by the Cayman Islands court if it cannot be agreed among the parties. Court approval is not required for a merger or consolidation effected in compliance with these statutory procedures.

In addition, there are statutory provisions that facilitate, compromises or arrangements between a Cayman Islands company and its shareholders (or any class of them).

Following amendments to the Companies Act that became effective on August 31, 2022, the majority-in-number “headcount test” in relation to the approval of shareholders’ schemes of arrangement was abolished. Section 86(2A) of the Companies Act provides that, if 75% in value of the shareholders (or class of shareholders) of a Cayman Islands company agree to any compromise or arrangement, such compromise or arrangement shall, if sanctioned by the Cayman Court, be binding on all shareholders (or class of shareholders) of such company and on the company itself. Where a Cayman Islands company is in the course of being wound up, such compromise or arrangement would be binding on the liquidator and contributories of the company. In contrast, section 86(2) of the Companies Act continues to require (a) approval by a majority in number representing 75% in value; and (b) the sanction of the Grand Court of the Cayman Islands, in relation to any compromise or arrangement between a company and its creditors (or any class of them). At the initial directions hearing, the Cayman Islands court will make orders for (among other things) the convening of the meetings of creditors or shareholders (or classes of them, as applicable). While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

- the company has complied with the directions set down by the Cayman Islands court;
- meeting was properly held and the statutory provisions as to the required majority vote have been met;
- the shareholders have been fairly represented at the meeting in question and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;
- the arrangement is such that may be reasonably approved by an intelligent and honest man of that class acting in respect of his/her interest.

If a compromise or arrangement of a Cayman Islands company is thus approved by the shareholders in the context of a shareholders’ scheme and the Cayman Islands court subsequently sanctions such scheme, the dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of Delaware corporations, providing rights to receive payment in cash for the judicially determined value of the shares. This is because such scheme will be binding on all shareholders (or class of shareholders), regardless of whether all the shareholders (or class of shareholders) approved the scheme, upon the sanction order being made. Having said that, a dissenting shareholder would have the right to appeal the making of the sanction order to the Cayman Islands Court of Appeal, if there were grounds for doing so.

Shareholders’ Suits

Derivative actions have been brought in the Cayman Islands courts. In most cases, the company will be the proper plaintiff in any claim based on a breach of duty owed to it, and a claim against (for example) the company’s officers or directors usually may not be brought by a shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority and be applied by a court in the Cayman Islands, exceptions to the foregoing principle apply in circumstances in which:

- a company is acting, or proposing to act, illegally or beyond the scope of its authority;
- the act complained of, although not beyond the scope of the authority, could be effected if duly authorized by more than the number of votes which have actually been obtained; or
- those who control the company are perpetrating a “fraud on the minority.”

A shareholder may have a direct right of action against the company where the individual rights of that shareholder have been infringed or are about to be infringed.

Directors’ Fiduciary Duties

Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components, the duty of care and the duty of loyalty. The

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duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director must act in a manner he or she reasonably believes to be in the best interests of the corporation. A director must not use his or her corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interests of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, the director must prove the procedural fairness of the transaction and that the transaction was of fair value to the corporation.

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company, and therefore it is considered that he or she owes the following duties to the company: a duty to act bona fide in the best interests of the company, a duty not to make a profit out of his or her position as director (unless the company permits him or her to do so), a duty not to put himself or herself in a position where the interests of the company conflict with his or her personal interests or his or her duty to a third party and a duty to exercise powers for the purpose for which such powers were intended. A director of a Cayman Islands company owes to the company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his or her duties a greater degree of skill than may reasonably be expected from a person of his or her knowledge and experience. However, there are indications that the courts are moving towards an objective standard with regard to the required skill and care.

Under our memorandum and articles of association, directors who are in any way, whether directly or indirectly, interested in a contract or proposed contract with our Company must declare the nature of their interest at a meeting of the board of directors. Following such declaration, a director may vote in respect of any contract or proposed contract notwithstanding his or her interest.

Shareholder Action by Written Resolution

Under the Delaware General Corporation Law, a corporation's certificate of incorporation may eliminate the right of shareholders to act by written consent. Our memorandum and articles of association allow shareholders to act by written resolutions.

Cumulative Voting

Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled for a single director, which increases the shareholder's voting interest with respect to electing such director.

As permitted under Cayman Islands law, our memorandum and articles of association do not provide for cumulative voting.

Removal of Directors

Under the Delaware General Corporation Law, a director of a corporation may be removed with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise.

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Under our memorandum and articles of association, subject to the Shareholders' Agreement, directors can be removed by special resolution of the shareholders.

Transactions with Interested Shareholders

The Delaware General Corporation Law contains a business combination statute applicable to Delaware public corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date on which such person becomes an interested shareholder. An interested shareholder generally is one which owns or owned 15% or more of the target's outstanding voting stock within the past three years. This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction that resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware public corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that such transactions entered into must be bona fide in the best interests of the company, for a proper corporate purpose and not with the effect of perpetrating a fraud on the minority shareholders.

Dissolution and Winding Up

Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting interest of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. The Delaware General Corporation Law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board of directors.

Under our memorandum and articles of association, if our Company is wound up, the liquidator of our Company may distribute the assets with the sanction of an ordinary resolution of the shareholders and any other sanction required by law.

Variation of Rights of Shares

Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise.

Under Cayman Islands law and our memorandum and articles of association, if our share capital is divided into more than one class of shares, we may (subject to qualifications in the memorandum and articles of association) vary the rights attached to any class with the consent in writing of the holders of a majority of the issued shares of the relevant class or with the sanction of a resolution passed at a separate meeting of the holders of the shares of such class by a majority of the votes cast at such a meeting.

Amendment of Governing Documents

Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise.

Our memorandum and articles of association may be amended by a special resolution of shareholders.

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Waiver of Certain Corporate Opportunities

Under our memorandum and articles of association, the Company has renounced any interest or expectancy of the Company in, or in being offered an opportunity to participate in, certain opportunities where such opportunities come into the possession of one of our directors other than in his or her capacity as a director (as more particularly described in our memorandum and articles of association). This is subject to applicable law and may be waived by the relevant director.

Inspection of Books and Records

Under the Delaware General Corporation Law, any shareholder of a corporation may for any proper purpose inspect or make copies of the corporation's stock ledger, list of shareholders and other books and records.

Holders of our shares have no general right under Cayman Islands law to inspect or obtain copies of our register of members or our corporate records (other than the memorandum and articles of association). However, we intend to provide our shareholders with annual reports containing audited financial statements.

Anti-takeover Provisions in our Memorandum and Articles of Association

Some provisions of our memorandum and articles of association may discourage, delay or prevent a change of control of our Company or management that shareholders may consider favorable, including a provision that authorizes our board of directors to issue preference shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preference shares without any further vote or action by our shareholders.

Such shares could be issued quickly with terms calculated to delay or prevent a change in control of our Company or make removal of management more difficult. If our board of directors decides to issue these preference shares, the price of our ordinary shares may fall and the voting and other rights of the holders of our ordinary shares may be materially adversely affected.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our memorandum and articles of association for a proper purpose and for what they believe in good faith to be in the best interests of our Company.

Rights of Non-resident or Foreign Shareholders

There are no limitations imposed by our memorandum and articles of association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares. In addition, there are no provisions in our memorandum and articles of association governing the ownership threshold above which shareholder ownership must be disclosed.

C. MATERIAL CONTRACTS

We have not entered into any material contracts other than in the ordinary course of business and other than those described in "Item 4. Information on the Company" and "Item 7. Major Shareholders and Related Party Transactions" or elsewhere in this annual report on Form 20-F.

D. EXCHANGE CONTROLS

With regard to our operations in Macau, no foreign exchange controls exist in Macau and Hong Kong and there is a free flow of capital into and out of Macau and Hong Kong. There are no restrictions on remittances

of H.K. dollar or any other currency from Macau and Hong Kong to persons not resident in Macau and Hong Kong for the purpose of paying dividends or otherwise. No foreign exchange controls exist in the Cayman Islands.

E. TAXATION

Cayman Islands Taxation

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or, after execution, brought within the jurisdiction of the Cayman Islands. The Cayman Islands is not party to any double tax treaties that are applicable to any payments made to or by our Company. There are no exchange control regulations or currency restrictions in the Cayman Islands.

Payments of dividends and capital in respect of our ordinary shares will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of a dividend or capital to any holder of our ordinary shares, nor will gains derived from the disposal of our ordinary shares be subject to Cayman Islands income or corporation tax.

No stamp duty is payable in respect of the issue of our ordinary shares or on an instrument of transfer in respect of our ordinary shares.

United States Federal Income Taxation

The following discussion describes the material United States federal income tax consequences to a United States Holder (as defined below), under current law, of an investment in our ADSs. Such laws are subject to change, which change could apply retroactively and could significantly affect the tax consequences described below. We have not sought any ruling from the IRS with respect to the statements made and the conclusions reached in the following discussion and there can be no assurance that the IRS or a court will agree with our statements and conclusions.

This discussion applies only to a United States Holder (as defined below) that holds ADSs as capital assets for United States federal income tax purposes (generally, property held for investment). The discussion neither addresses the tax consequences to any particular investor nor describes all of the tax consequences applicable to persons in special tax situations, such as:

- banks and certain other financial institutions;
- insurance companies;
- regulated investment companies;
- real estate investment trusts;
- brokers or dealers in stocks and securities, or currencies;
- persons who use or are required to use a mark-to-market method of accounting;
- certain former citizens or residents of the United States subject to Section 877 of the United States Internal Revenue Code of 1986, as amended (the "Internal Revenue Code");
- entities subject to the United States anti-inversion rules;
- tax-exempt organizations and entities;

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- persons whose functional currency is other than the United States dollar;
- persons holding ADSs as part of a straddle, hedging, conversion or integrated transaction;
- persons that actually or constructively own 10% or more of the total combined voting interest of all classes of our voting stock or 10% or more of the total value of shares of all classes of our stock;
- persons who acquired ADSs pursuant to the exercise of an employee stock option or otherwise as compensation;
- partnerships or other pass-through entities, or persons holding ADSs through such entities; or
- a person subject to special tax accounting rules as a result of any item of gross income with respect to ADSs being taken into account in an “applicable financial statement” (as defined in the Internal Revenue Code).

Except as described below under “— Information with Respect to Foreign Financial Assets,” this discussion does not address any reporting obligations that may be applicable to persons holding ADSs through a bank, financial institution or other entity, or a branch thereof, located, organized or resident outside the United States.

If a partnership (including an entity or arrangement treated as a partnership for United States federal income tax purposes) holds the ADSs, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. A partnership or partner in a partnership holding ADSs should consult its own tax advisors regarding the United States federal income tax consequences of investing in and holding the ADSs.

THE FOLLOWING DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE UNITED STATES FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER THE FEDERAL ESTATE OR GIFT TAX LAWS, THE ALTERNATIVE MINIMUM TAX, THE MEDICARE TAX ON NET INVESTMENT INCOME OR THE LAWS OF ANY STATE, LOCAL OR NON-UNITED STATES TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.

For purposes of the discussion below, a “United States Holder” is a beneficial owner of the ADSs that is, for United States federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to United States federal income taxation regardless of its source; or
- a trust, if (i) a court within the United States is able to exercise primary jurisdiction over its administration and one or more “United States persons” have the authority to control all of its substantial decisions, or (ii) in the case of a trust that was treated as a domestic trust under the law in effect before 1997, a valid election is in place under applicable United States Treasury regulations to treat such trust as a domestic trust.

The discussion below assumes that the representations contained in the deposit agreement and any related agreement are true and that the obligations in such agreements will be complied with in accordance with their terms.

ADSs

If you own our ADSs, then you should be treated as the owner of the underlying Class A ordinary shares represented by those ADSs for United States federal income tax purposes. Accordingly, deposits or withdrawals of Class A ordinary shares for ADSs should not be subject to United States federal income tax.

The United States Treasury Department and the IRS have expressed concerns that United States holders of American depositary shares may be claiming foreign tax credits in situations where an intermediary in the chain of ownership between the holder of an American depositary share and the issuer of the security underlying the American depositary share has taken actions that are inconsistent with the ownership of the underlying security by the person claiming the credit. Such actions (for example, a pre-release of an ADS by a depositary) also may be inconsistent with the claiming of the reduced rate of tax applicable to certain dividends received by non-corporate United States holders of ADSs, including individual United States holders. Accordingly, the availability of foreign tax credits or the reduced tax rate for dividends received by non-corporate United States Holders, each discussed below, could be affected by actions taken by intermediaries in the chain of ownership between the holder of an ADS and our Company.

Dividends and Other Distributions on the ADSs

Subject to the PFIC rules discussed below, the gross amount of any distribution that we make to you with respect to the ADSs will be taxable as a dividend, to the extent paid out of our current or accumulated earnings and profits, as determined under United States federal income tax principles. Such income (including any withheld taxes) will be includable in your gross income on the day actually or constructively received by the depositary if you own ADSs. Because we do not intend to determine our earnings and profits on the basis of United States federal income tax principles, any distribution paid generally will be reported as a “dividend” for United States federal income tax purposes. Such dividends will not be eligible for the “dividends received” deduction allowed to qualifying corporations under the Internal Revenue Code.

Dividends received by a non-corporate United States Holder may qualify for the lower rates of tax applicable to “qualified dividend income,” if the dividends are paid by a “qualified foreign corporation” and other conditions discussed below are met. A non-United States corporation is treated as a qualified foreign corporation with respect to dividends paid by that corporation on shares (or American depositary shares backed by such shares) that are readily tradable on an established securities market in the United States. However, a non-United States corporation will not be treated as a qualified foreign corporation if it is a PFIC in the taxable year in which the dividend is paid or the preceding taxable year.

Under a published IRS Notice, common or ordinary shares, or American depositary shares representing such shares, are considered to be readily tradable on an established securities market in the United States if they are listed on the New York Stock Exchange, as our ADSs are. Subject to the limitations described in the following paragraph, we believe that dividends we pay on our ADSs will be eligible for the reduced rates of taxation.

Even if dividends were treated as paid by a qualified foreign corporation, a non-corporate United States Holder would not be eligible for reduced rates of taxation if either (i) it does not hold our ADSs for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date or (ii) the United States Holder elects to treat the dividend income as “investment income” pursuant to Section 163(d)(4) of the Internal Revenue Code. In addition, the rate reduction will not apply to dividends of a qualified foreign corporation if the non-corporate United States Holder receiving the dividend is obligated to make related payments with respect to positions in substantially similar or related property.

You should consult your own tax advisors regarding the availability of the lower tax rates applicable to qualified dividend income for any dividends that we pay with respect to the ADSs, as well as the effect of any change in applicable law after the date of this annual report on Form 20-F.

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For purposes of calculating your foreign tax credit limitation, dividends paid to you with respect to the ADSs will be treated as income from sources outside the United States and generally will constitute passive category income. The rules relating to the determination of the foreign tax credit are complex, and you should consult your tax advisors regarding the availability of a foreign tax credit in your particular circumstances.

Disposition of the ADSs

You will recognize gain or loss on a sale or exchange of the ADSs in an amount equal to the difference between the amount realized on the sale or exchange and your tax basis in the ADSs. Subject to the discussion under “— Passive Foreign Investment Company” below, such gain or loss generally will be capital gain or loss. Capital gains of a non-corporate United States Holder, including an individual, that has held the ADS for more than one year currently are eligible for reduced tax rates. The deductibility of capital losses is subject to limitations.

Any gain or loss that you recognize on a disposition of the ADSs generally will be treated as United States-source income or loss for foreign tax credit limitation purposes.

Passive Foreign Investment Company

Based on the value of our assets and the composition of our income and assets, we do not believe we were a PFIC for our taxable year ended December 31, 2025. However, the determination of PFIC status involves extensive factual investigation, including ascertaining the fair market value of all of our assets on a quarterly basis and the character of each item of income that we earn, and is subject to uncertainty in several respects. Changes in the composition of our income or assets or the value of our assets may cause us to become a PFIC. The determination of the value of our assets may depend in part upon the value of our goodwill not reflected on our balance sheet (which may depend upon the market value of the ADSs and ordinary shares from time to time, which may be volatile). Accordingly, we cannot assure you that we will not be a PFIC for our current taxable year ending December 31, 2026 or for any future taxable year. Our United States tax counsel therefore expresses no opinion with respect to our PFIC status for any taxable year or our beliefs and expectations relating to such status set forth in this discussion.

A non-United States corporation such as ourselves will be treated as a PFIC for United States federal income tax purposes for any taxable year if, applying applicable look-through rules, either:

- at least 75% of its gross income for such year is passive income; or
- at least 50% of the value of its assets (generally determined based on a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income.

For this purpose, passive income generally includes dividends, interest, gains from the sale or exchange of investment property, royalties and rents (other than certain royalties and rents derived in the active conduct of a trade or business and not derived from a related person). We will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation in which we own, directly or indirectly, more than 25% by value of the stock.

If we were a PFIC for any taxable year during which you hold ADSs, then, unless you make a “mark-to-market” election (as discussed below), you generally would be subject to special adverse tax rules with respect to any “excess distribution” that you receive from us and any gain that you recognize from a sale or other disposition, including, in certain circumstances, a pledge, of ADSs. For this purpose, distributions that you receive in a taxable year that are greater than 125% of the average annual distributions that you received during the shorter of the three preceding taxable years or your holding period for the ADSs will be treated as an excess distribution. Under these rules:

- the excess distribution or recognized gain would be allocated ratably over your holding period for the ADSs;

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- the amount of the excess distribution or recognized gain allocated to the taxable year of distribution or gain, and to any taxable years in your holding period prior to the first taxable year in which we were treated as a PFIC, would be treated as ordinary income; and
- the amount of the excess distribution or recognized gain allocated to each other taxable year would be subject to the highest tax rate in effect for individuals or corporations, as applicable, for each such year and the resulting tax will be subject to the interest charge generally applicable to underpayments of tax.

If we were a PFIC for any taxable year during which you hold ADSs and any of our non-United States subsidiaries or other corporate entities in which we own equity interests is also a PFIC, you would be treated as owning a proportionate amount (by value) of the shares of each such non-United States entity classified as a PFIC (each such entity, a lower tier PFIC) for purposes of the application of these rules. You should consult your own tax advisor regarding the application of the PFIC rules to any of our lower tier PFICs.

If we were a PFIC for any taxable year during which you hold ADSs, then in lieu of being subject to the tax and interest-charge rules discussed above, you may make an election to include gain on our ADSs as ordinary income under a mark-to-market method, provided that our ADSs constitute “marketable stock.” Marketable stock is stock that is regularly traded on a qualified exchange or other market, as defined in applicable United States Treasury regulations. Our ADSs, but not our ordinary shares, are listed on the New York Stock Exchange, which is a qualified exchange or other market for these purposes.

Consequently, if the ADSs continue to be listed on the New York Stock Exchange and are regularly traded, and you are a holder of ADSs, we expect that the mark-to-market election would be available to you if we were to become a PFIC, but no assurances are given in this regard.

If you make an effective mark-to-market election, for each taxable year that we are a PFIC, you will include as ordinary income the excess of the fair market value of your ADSs at the end of the year over your adjusted basis in the ADSs. You will be entitled to deduct as an ordinary loss in each such year the excess of your adjusted basis in the ADSs over their fair market value at the end of the year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election.

If you make an effective mark-to-market election, any gain you recognize upon the sale or other disposition of your ADSs in a year that we are a PFIC will be treated as ordinary income and any loss will be treated as ordinary loss, but only to the extent of the net amount previously included in income as a result of the mark-to-market election.

Because a mark-to-market election cannot be made for any lower-tier PFICs that we may own, if we were a PFIC for any taxable year, a United States Holder that makes the mark-to-market election may continue to be subject to the tax and interest charges under the general PFIC rules with respect to such United States Holder’s indirect interest in any investments held by us that are treated as an equity interest in a PFIC for United States federal income tax purposes.

In certain circumstances, a shareholder in a PFIC may avoid the adverse tax and interest-charge regime described above by making a “qualified electing fund” election to include in income its share of the corporation’s income on a current basis. However, you may make a qualified electing fund election with respect to the ADSs only if we agree to furnish you annually with a PFIC annual information statement as specified in the applicable United States Treasury regulations. There is no assurance that we will provide such information that would enable you to make a qualified electing fund election.

A United States Holder that holds the ADSs in any year in which we were a PFIC would be required to file an annual report containing such information as the United States Treasury Department may require.

You should consult your own tax advisor regarding the application of the PFIC rules to your ownership and disposition of the ADSs and the availability, application and consequences of the elections discussed above.

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Information Reporting and Backup Withholding

Information reporting to the IRS and backup withholding generally will apply to dividends in respect of our ADSs, and the proceeds from the sale or exchange of our ADSs, that are paid to you within the United States (and in certain cases, outside the United States), unless you furnish a correct taxpayer identification number and make any other required certification, generally on IRS Form W-9 or you otherwise establish an exemption from information reporting and backup withholding. Backup withholding is not an additional tax. Amounts withheld as backup withholding generally are allowed as a credit against your United States federal income tax liability, and you may be entitled to obtain a refund of any excess amounts withheld under the backup withholding rules if you file an appropriate claim for refund with the IRS and furnish any required information in a timely manner.

United States Holders should consult their tax advisors regarding the application of the information reporting and backup withholding rules.

Information with Respect to Foreign Financial Assets

United States Holders who are individuals (and certain entities closely held by individuals) generally will be required to report our name, address and such information relating to an interest in the ADSs as is necessary to identify the class or issue of which the ADSs are a part. These requirements are subject to exceptions, including an exception for ADSs held in accounts maintained by certain financial institutions and an exception applicable if the aggregate value of all “specified foreign financial assets” (as defined in the Internal Revenue Code) does not exceed US\$50,000.

United States Holders should consult their tax advisors regarding the application of these information reporting rules.

F. DIVIDENDS AND PAYING AGENTS

Not applicable.

G. STATEMENT BY EXPERTS

Not applicable.

H. DOCUMENTS ON DISPLAY

We are subject to the periodic reporting and other informational requirements of the Exchange Act. Under the Exchange Act, we are required to file reports and other information with the SEC. Specifically, we are required to file an annual report on Form 20-F no later than four months after the close of each fiscal year, which is December 31. As permitted by the SEC, in Item 19 of this annual report, we incorporate by reference certain information we have filed with the SEC. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be part of this annual report.

Copies of reports and other information, when so filed, may be accessed electronically by means of the SEC’s home page on the Internet at <http://www.sec.gov>.

In accordance with NYSE Rule 203.01, we will post this annual report on our website www.studiocity-macau.com. In addition, we will provide hardcopies of our annual report to shareholders, including ADS holders, free of charge upon request.

I. SUBSIDIARY INFORMATION

Not applicable.

J. ANNUAL REPORT TO SECURITY HOLDERS

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of losses arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. We believe our and our subsidiaries' primary exposure to market risk will be foreign exchange risk associated with our operations.

Foreign Exchange Risk

Our exposure to foreign exchange rate risk is associated with the currency of our operations and the presentation of our consolidated financial statements in U.S. dollars. The majority of our revenues are denominated in H.K. dollars, since the H.K. dollar is the predominant currency used in Macau and is often used interchangeably with Patacas, while our expenses are denominated predominantly in Patacas and H.K. dollars. A significant portion of our indebtedness as a result of the 2027 SCC Senior Secured Notes, 2028 SCF Senior Notes and 2029 SCF Senior Notes and the costs associated with servicing and repaying such debts are denominated in U.S. dollars. In addition, the SCC 2021 Credit Facilities and the SCC 2024 Revolving Facilities, and the costs associated with servicing and repaying such debt, are denominated in H.K. dollars. The H.K. dollar is pegged to the U.S. dollar within a narrow range and the Pataca is in turn pegged to the H.K. dollar, and the exchange rates between these currencies have remained relatively stable over the past several years. However, we cannot assure you that the current peg or linkages between the U.S. dollar, H.K. dollar and Pataca will not be de-pegged, de-linked or modified and subjected to fluctuation as such exchange rates may be affected by, among other things, changes in political and economic conditions.

See note 9 to the consolidated financial statements included elsewhere in this annual report for further details related to our indebtedness as of December 31, 2025.

Major currencies in which our cash and bank balances (including restricted cash) were held as of December 31, 2025 included U.S. dollars, H.K. dollars and Patacas. Based on the cash and bank balances as of December 31, 2025, an assumed 1% change in the exchange rates between currencies other than U.S. dollars against the U.S. dollar would cause a maximum foreign transaction gain or loss of approximately US\$0.4 million for the year ended December 31, 2025.

Based on the balances of indebtedness denominated in currencies other than U.S. dollars as of December 31, 2025, an assumed 1% change in the exchange rates between currencies other than the U.S. dollar against the U.S. dollar would cause a foreign transaction gain or loss of approximately US\$0.8 million for the year ended December 31, 2025.

To date, we have not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risk.

Interest Rate Risk

Our exposure to interest rate risk is associated with our indebtedness bearing interest based on floating rates. We attempt to manage interest rate risk by managing the mix of long-term fixed rate borrowings and variable rate borrowings and we may supplement by hedging activities in a manner we deem prudent. We cannot be sure that these risk management strategies have had the desired effect, and interest rate fluctuations could have a negative impact on our results of operations.

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As of December 31, 2025, we were subject to fluctuations in HIBOR as a result of our SCC 2021 Credit Facilities and SCC 2024 Revolving Facilities.

As of December 31, 2025, approximately 96% of our total gross indebtedness was based on fixed rates. Based on our December 31, 2025 indebtedness level, an assumed 100 basis point change in HIBOR would cause our annual interest cost to change by approximately US\$0.8 million.

To the extent that we effect hedging in respect of our credit facilities, the counterparties to such hedging will also benefit from the security and guarantees we provide to the lenders under such credit facilities, which could increase our aggregate secured indebtedness. We do not intend to engage in transactions in derivatives or other financial instruments for trading or speculative purposes and we expect the provisions of our existing and any future credit facilities to restrict or prohibit the use of derivatives and financial instruments for purposes other than hedging.

Inflation Risk

We generated all of our revenues from our operations in Macau in 2025, 2024 and 2023. Inflation did not have a material impact on our results of operations. According to the Statistics and Census Services of the Macau government, inflation as measured by the consumer price index in Macau was 0.33%, 0.74% and 0.94% in 2025, 2024 and 2023, respectively. Although we have not been materially affected by inflation since our inception, we can provide no assurance that we will not be affected in the future by higher rates of inflation in Macau.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. DEBT SECURITIES

Not applicable.

B. WARRANTS AND RIGHTS

Not applicable.

C. OTHER SECURITIES

Not applicable.

D. AMERICAN DEPOSITARY SHARES

Deutsche Bank Trust Company Americas serves as the depositary bank for our ADS facility. Its principal executive office is located at 1 Columbus Circle, New York, New York, 10019.

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As an ADS holder, beneficial owner of ADSs, any person depositing shares and any person surrendering ADSs for cancellation and withdrawal of deposited securities, you will be required to pay the following service fees to the depositary bank and certain taxes and governmental charges (in addition to any applicable fees, expenses, taxes and other governmental charges payable on the deposited securities represented by any of your ADSs):

<u>Service</u>	<u>Fees</u>
<ul style="list-style-type: none">To any person to which ADSs are issued or to any person to which a distribution is made in respect of ADS distributions pursuant to stock dividends or other free distributions of stock, bonus distributions, stock splits or other distributions (except where converted to cash)	Up to US\$0.05 per ADS issued
<ul style="list-style-type: none">Cancellation of ADSs, including the case of termination of the deposit agreement	Up to US\$0.05 per ADS canceled
<ul style="list-style-type: none">Distribution of cash dividends	Up to US\$0.05 per ADS held
<ul style="list-style-type: none">Distribution of cash entitlements (other than cash dividends) and/or cash proceeds from the sale of rights, securities and other entitlements	Up to US\$0.05 per ADS held
<ul style="list-style-type: none">Distribution of ADSs pursuant to exercise of rights	Up to US\$0.05 per ADS held
<ul style="list-style-type: none">Depository services	Up to US\$0.05 per ADS held on the applicable record date(s) established by the depositary bank

As an ADS holder, beneficial owner of ADSs, any person depositing shares and any person surrendering ADSs for cancellation and withdrawal of deposited securities, you will also be responsible to pay certain fees and expenses incurred by the depositary bank and certain taxes and governmental charges (in addition to any applicable fees, expenses, taxes and other governmental charges payable on the deposited securities represented by any of your ADSs) such as:

- Fees for the transfer and registration of Class A ordinary shares charged by the registrar and transfer agent for the Class A ordinary shares in the Cayman Islands (i.e., upon deposit and withdrawal of Class A ordinary shares).
- Expenses incurred for converting foreign currency into U.S. dollars.
- Expenses for cable, telex and fax transmissions and for delivery of securities.
- Taxes and duties upon the transfer of securities, including any applicable stamp duties, any stock transfer charges or withholding taxes (i.e., when Class A ordinary shares are deposited or withdrawn from deposit).
- Fees and expenses incurred in connection with the delivery or servicing of Class A ordinary shares on deposit.
- Fees and expenses incurred in connection with complying with exchange control regulations and other regulatory requirements applicable to Class A ordinary shares, deposited securities, ADSs and American Depositary Receipts (“ADRs”).
- Any applicable fees and penalties thereon.

The depositary fees payable upon the issuance and cancellation of ADSs are typically paid to the depositary bank by the brokers (on behalf of their clients) receiving the newly issued ADSs from the depositary bank and by the brokers (on behalf of their clients) delivering the ADSs to the depositary bank for cancellation.

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The brokers in turn charge these fees to their clients. Depository fees payable in connection with distributions of cash or securities to ADS holders and the depository services fee are charged by the depository bank to the holders of record of ADSs as of the applicable ADS record date.

The depository fees payable for cash distributions are generally deducted from the cash being distributed or by selling a portion of distributable property to pay the fees. In the case of distributions other than cash (i.e., share dividends, rights), the depository bank charges the applicable fee to the ADS record date holders concurrent with the distribution. In the case of ADSs registered in the name of the investor (whether certificated or uncertificated in direct registration), the depository bank sends invoices to the applicable record date ADS holders. In the case of ADSs held in brokerage and custodian accounts (via The Depository Trust Company, or DTC), the depository bank generally collects its fees through the systems provided by DTC (whose nominee is the registered holder of the ADSs held in DTC) from the brokers and custodians holding ADSs in their DTC accounts. The brokers and custodians who hold their clients' ADSs in DTC accounts in turn charge their clients' accounts the amount of the fees paid to the depository banks.

In the event of refusal to pay the depository fees, the depository bank may, under the terms of the deposit agreement, refuse the requested service until payment is received or may set off the amount of the depository fees from any distribution to be made to the ADS holder.

The depository may make payments to us and/or may share revenue with us derived from the ADS fees collected in respect of the ADR program or otherwise, upon such terms and conditions as we and the depository bank agree from time to time.

Fees and Other Payments Made by the Depository to Us

In 2025, we did not receive any fees or other payments from the depository.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

See "Item 7. Major Shareholders and Related Party Transactions — B. Related Party Transactions — Pre-IPO Organizational Transactions."

ITEM 15. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As of the end of the period covered by this annual report, our management, with the participation of our property general manager and chief financial officer, has performed an evaluation of the effectiveness of our disclosure controls and procedures within the meaning of Rules 13a-15(e) and 15d-15(e) of the Exchange Act. In designing and evaluating the disclosure controls and procedures, it should be noted that any controls and procedures, no matter how well designed and operated, can only provide reasonable, but not absolute, assurance of achieving the desired control objectives and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based upon that evaluation, our property general manager and chief financial officer have concluded that, as of the end of the period covered by this annual report, our disclosure controls and procedures were effective to provide reasonable assurance that information required

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to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time period specified in the SEC's rules and forms, and accumulated and communicated to our management, including our property general manager and chief financial officer, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control Over Financial Reporting

Our Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act.

Our Company's internal control over financial reporting is designed 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. Our Company's internal control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our Company's assets;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that our Company's receipts and expenditures are being made only in accordance with authorizations of its management and directors; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our Company's management assessed the effectiveness of our Company's internal control over financial reporting as of December 31, 2025. In making this assessment, our Company's management used the framework set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control — Integrated Framework (2013)*.

Based on this assessment, management concluded that, as of December 31, 2025, our Company's internal control over financial reporting is effective based on the framework set forth by Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control — Integrated Framework (2013)*.

Our Company's independent registered public accounting firm's report on the effectiveness of our internal control over financial reporting appears under "Report of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting" in their report appearing on pages F-5 to F-6 of this annual report on Form 20-F.

Changes in Internal Controls Over Financial Reporting

There were no changes in our Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the year ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our Company's internal control over financial reporting.

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ITEM 16. [Reserved]

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our board has determined that Mr. Kevin F. Sullivan qualifies as “audit committee financial expert” as defined in Item 16A of Form 20-F. Each of the members of our audit and risk committee satisfies the “independence” requirements of Section 303A of the New York Stock Exchange Listed Company Manual and Rule 10A-3 under the Exchange Act. See “Item 6. Directors, Senior Management and Employees.”

ITEM 16B. CODE OF ETHICS

Our board has adopted a code of business conduct and ethics that applies to our directors, officers, employees and agents, including our property general manager, chief financial officer and any other persons who perform similar functions for us. We have posted our current code of business conduct and ethics on our website at www.studiocity-macau.com. We intend to disclose future amendments to certain provisions of the code of business conduct and ethics, and waivers thereof granted to executive officers and directors, on the website within four business days following the date of the amendment or waiver. We hereby undertake to provide to any person without charge, a copy of our code of business conduct and ethics within ten working days after we receive such person’s written request.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table sets forth the aggregate fees by categories specified below in connection with certain professional services rendered by our principal external auditors, for the years indicated. We did not pay any other fees to our auditor during the years indicated below.

	Year Ended December 31,	
	2025	2024
	<i>(In thousands of US\$)</i>	
Audit fees ⁽¹⁾	\$ 541	\$ 542
Audit-related fees ⁽²⁾	5	92
Tax fees	—	—
All other fees	—	—

Notes:

- (1) “Audit fees” means the aggregate fees in each of the fiscal years indicated for our calendar year audits.
- (2) “Audit-related fees” primarily include the aggregate fees for professional services provided in connection with other assurance services.

The policy of our audit and risk committee is to pre-approve all audit and non-audit services provided by our independent registered public accounting firm, including audit services, audit-related services, tax services and other services.

For the years ended December 31, 2025 and 2024, none of the total audit-related fees as described above were approved by our audit and risk committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

No purchase of equity security in the Company was made by or on behalf of the Company or any affiliated purchaser in the fiscal year ended December 31, 2025.

ITEM 16F. CHANGE IN REGISTRANT’S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

NYSE Rule 303A.00 permits foreign private issuers like us to follow “home country practice” in certain corporate governance matters. For example, NYSE Rule 303A.01 generally requires that a majority of an issuer’s board of directors must consist of independent directors. In addition, NYSE Rules 303A.04 and 303A.05, respectively, generally require that an issuer’s nominating and corporate governance committee and compensation committee must consist entirely of independent directors. We rely on this “home country practice” exception and do not have a majority of independent directors serving on our board and also do not have a nominating and corporate governance committee or compensation committee consisting entirely of independent directors. We also rely on this “home country practice” exception in relation to certain responsibilities of the compensation committee set forth in NYSE Rule 303A.05. The New York Stock Exchange rules also permit a foreign private issuer like us to follow the corporate governance practices of its home country with respect to shareholder approval requirements with respect to issuances of equity securities.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

ITEM 16J. INSIDER TRADING POLICIES

Our board of directors has adopted insider trading policies and procedures governing the purchase, sale, and other dispositions of our securities by our directors, officers, employees and other relevant persons reasonably designed to promote compliance with applicable insider trading laws, rules and regulations and the listing standards of the NYSE.

The Company's Policy for the Prevention of Insider Trading is filed as Exhibit 11.1 to this annual report on Form 20-F.

ITEM 16K. CYBERSECURITY

Cybersecurity Risk Management and Strategy

We have a cybersecurity risk management program intended to protect the confidentiality, integrity, and availability of our critical systems and information. Our cybersecurity risk management program includes a cybersecurity incident response plan.

Our cybersecurity risk management program is designed, executed, and assessed based on the principles of internationally recognized frameworks and standards, including ISO27001, the National Institute of Standards and Technology Cybersecurity Framework ("NIST CSF") and the Payment Card Industry Data Security Standard ("PCI-DSS") and has been certified against ISO27001.

Our cybersecurity risk management program is integrated into our overall enterprise risk management program, and shares common methodologies, reporting channels and governance processes that apply across the enterprise risk management program to other legal, compliance, strategic, operational, and financial risk areas.

Our cybersecurity risk management program includes:

- risk assessments designed to help identify material cybersecurity risks to our critical systems, information, products, services, and our broader enterprise IT environment;
- an information security team principally responsible for managing (1) our cybersecurity risk assessment processes, (2) our security controls, and (3) our response to cybersecurity incidents;
- the use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of our information security controls;
- cybersecurity awareness training of our directors, senior management, employees and incident response personnel;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents; and
- a third-party risk management process for service providers, suppliers, and vendors, including oversight and identification of cybersecurity risks.

We have not identified risks from known cybersecurity threats, including as a result of any prior cybersecurity incidents, that have materially affected us, including our operations, business strategy, results of operations, or financial condition. We face risks from cybersecurity threats that, if realized, are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. See "Item 3. Key Information — D. Risk Factors — Risks Relating to Our Business — Information technology and other systems that we depend on are subject to cybersecurity risks, including disruptions to systems and operations, misappropriation of customer information, other breaches of information security or other cybercrimes, as well as regulatory and other risks" and "— Failure to protect the integrity and security of company staff, supplier and customer information and comply with cybersecurity, data privacy, data protection or any other laws and regulations related to data may materially and adversely affect our business, financial condition and results of operations, and/or result in damage to reputation and/or subject us to fines, penalties, lawsuits, restrictions on our use or transfer of data and other risks."

Cybersecurity Governance

Our board considers cybersecurity risk as part of its risk oversight function and has delegated to the audit and risk committee oversight of cybersecurity and other information technology risks. The audit and risk committee oversees management's implementation of our cybersecurity risk management program.

The audit and risk committee receives regular reports from management on our cybersecurity risks. In addition, management updates the audit and risk committee, as necessary, regarding any material cybersecurity incidents, as well as any incidents with lesser impact potential.

The audit and risk committee reports to the full board regarding its activities, including those related to cybersecurity. The full board also receives briefings from management on our cyber risk management program. Board members receive presentations on cybersecurity topics from the chief information security officer of Melco Resorts and external experts as part of the board's continuing education on topics that impact public companies.

Our cybersecurity risk management team, including the chief information security officer of Melco Resorts, is responsible for assessing and managing our material risks from cybersecurity threats. The team has primary responsibility for our overall cybersecurity risk management program and supervises both our internal cybersecurity personnel and our retained external cybersecurity consultants. Our cybersecurity risk management team's experience includes previous work experience in cybersecurity and risk management roles in various industries including financial services and technology. Our cybersecurity risk management team also holds multiple security credentials such as Certified Information Systems Auditor, Certified Information Systems Security Professional, Certified Information Security Manager, ISO Lead Auditor Practitioner, and Certified in Risk and Systems Information Control certifications as well as various technology certifications. The team also engages leading cybersecurity and forensic incident response external service providers to provide extensive capability to run, review, challenge and advise on operational enhancements, and provide incident response capability during an incident, as required. Our cybersecurity risk management team, including the chief information security officer of Melco Resorts, provides services to us pursuant to the Management and Shared Services Arrangements.

Our cybersecurity risk management team supervises efforts to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which may include briefings from internal security personnel; threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us; and alerts and reports produced by security tools deployed in the IT environment.

PART III

ITEM 17. FINANCIAL STATEMENTS

We have elected to provide financial statements pursuant to Item 18.

ITEM 18. FINANCIAL STATEMENTS

The consolidated financial statements of Studio City International Holdings Limited and its subsidiaries are included at the end of this annual report.

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ITEM 19. EXHIBITS

<u>Exhibit Number</u>	<u>Description of Document</u>
1.1	<u>Amended and Restated Memorandum and Articles of Association of the Registrant (incorporated by reference to Exhibit 1.1 from our annual report on Form 20-F for the fiscal year ended December 31, 2018 (File No. 001-38699), filed with the SEC on March 29, 2019)</u>
1.2	<u>Memorandum and Articles of Association of MSC Cotai Limited (incorporated by reference to Exhibit 1.2 from our annual report on Form 20-F for the fiscal year ended December 31, 2018 (File No. 001-38699), filed with the SEC on March 29, 2019)</u>
2.1	<u>Form of Registrant’s Specimen American Depositary Receipt (included in Exhibit 2.3)</u>
2.2	<u>Registrant’s Specimen Certificate for Ordinary Shares (incorporated herein by reference to Exhibit 4.2 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
2.3†	<u>Form of Deposit Agreement between the Registrant, the depository and owners and holders of the ADSs</u>
2.4	<u>Amended and Restated Credit Agreement relating to HK\$233 million revolving credit facility and HK\$1 million term loan facility dated November 23, 2016, among Studio City Company Limited and certain of its subsidiaries and affiliates with Bank of China Limited, Macau Branch, among others (incorporated herein by reference to Exhibit 4.15 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
2.5	<u>Amended and Restated Shareholders’ Agreement, among MCO Cotai Investments Limited, New Cotai, LLC, Melco Resorts & Entertainment Limited and the Registrant (incorporated by reference to Exhibit 2.12 from our annual report on Form 20-F for the fiscal year ended December 31, 2018 (File No. 001-38699), filed with the SEC on March 29, 2019)</u>
2.6	<u>Amended and Restated Registration Rights Agreement, between New Cotai, LLC and the Registrant (form of which is incorporated herein by reference to Exhibit 10.5 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
2.7	<u>Indenture relating to 6.000% senior notes due 2025 and dated July 15, 2020, among Studio City Finance Limited, as issuer, the subsidiary guarantors parties thereto, and Deutsche Bank Trust Company Americas, as trustee (incorporated by reference to Exhibit 2.16 from our annual report on Form 20-F for the fiscal year ended December 31, 2020 (File No. 001-38699), filed with the SEC on March 31, 2021)</u>
2.8	<u>Indenture relating to 6.500% senior notes due 2028 and dated July 15, 2020, among Studio City Finance Limited, as issuer, the subsidiary guarantors parties thereto, and Deutsche Bank Trust Company Americas, as trustee (incorporated by reference to Exhibit 2.17 from our annual report on Form 20-F for the fiscal year ended December 31, 2020 (File No. 001-38699), filed with the SEC on March 31, 2021)</u>
2.9	<u>Indenture relating to 5.000% senior notes due 2029 and dated January 14, 2021, among Studio City Finance Limited, as issuer, the subsidiary guarantors parties thereto, and Deutsche Bank Trust Company Americas, as trustee (incorporated by reference to Exhibit 2.18 from our annual report on Form 20-F for the fiscal year ended December 31, 2020 (File No. 001-38699), filed with the SEC on March 31, 2021)</u>
2.10	<u>Amended and Restated Credit Agreement relating to HK\$233 million revolving credit facility and HK\$1 million term loan facility dated March 15, 2021, among Studio City Company Limited and certain of its subsidiaries and affiliates with Bank of China Limited, Macau Branch, among others (incorporated by reference to Exhibit 2.20 from our annual report on Form 20-F for the fiscal year ended December 31, 2020 (File No. 001-38699), filed with the SEC on March 31, 2021)</u>

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Exhibit Number	Description of Document
2.11	<u>Indenture relating to 7.000% senior notes due 2027 and dated February 16, 2022, among Studio City Company Limited, as issuer, the guarantors parties thereto, and Deutsche Bank Trust Company Americas, as trustee (incorporated by reference to Exhibit 2.11 from our annual report on Form 20-F for the fiscal year ended December 31, 2021 (File No. 001-38699), filed with the SEC on March 31, 2022)</u>
2.12	<u>Supplemental Indenture relating to 7.000% senior notes due 2027 and dated February 16, 2022, among Studio City Company Limited, Industrial and Commercial Bank of China (Macau) Limited, as the security agent, DB Trustees (Hong Kong) Limited, as the intercreditor agent, and Deutsche Bank Trust Company Americas, as the trustee (incorporated by reference to Exhibit 2.12 from our annual report on Form 20-F for the fiscal year ended December 31, 2021 (File No. 001-38699), filed with the SEC on March 31, 2022)</u>
2.13	<u>Amendment and Restatement dated February 7, 2022 (in respect of the Intercreditor Agreement originally dated December 1, 2016) among Studio City Company Limited, the guarantors of the 7.000% senior secured notes due 2027, the lenders and agent for Studio City Company Limited's HK\$233 million revolving credit facility and HK\$1 million term loan facility, the security agent and intercreditor agent named therein, among others (incorporated by reference to Exhibit 2.13 from our annual report on Form 20-F for the fiscal year ended December 31, 2021 (File No. 001-38699), filed with the SEC on March 31, 2022)</u>
2.14	<u>Description of Registrant's Securities (incorporated herein by reference to Exhibit 2.14 from our annual report on Form 20-F for the fiscal year ended December 31, 2022 (File No. 001-38699), filed with the SEC on March 31, 2023)</u>
2.15	<u>Credit Facilities Agreement, dated November 29, 2024, entered into between, among others, Studio City Investments Limited, as parent, Studio City Company Limited, as borrower, and Bank of China Limited, Macau Branch, as agent, and Industrial and Commercial Bank of China (Macau) Limited (incorporated herein by reference to Exhibit 2.15 from our annual report on Form 20-F for the fiscal year ended December 31, 2024 (File No. 001-38699), filed with the SEC on March 21, 2025)</u>
2.16	<u>Guarantee by the Company, dated November 29, 2024, in relation to the SCC 2024 Revolving Facilities (incorporated herein by reference to Exhibit 2.16 from our annual report on Form 20-F for the fiscal year ended December 31, 2024 (File No. 001-38699), filed with the SEC on March 21, 2025)</u>
2.17	<u>Amended and Restated Credit Agreement relating to the HK\$233 million revolving credit facility and HK\$1 million term loan facility dated November 29, 2024, among Studio City Company Limited and certain of its subsidiaries and affiliates with Bank of China Limited, Macau Branch, among others (incorporated herein by reference to Exhibit 2.17 from our annual report on Form 20-F for the fiscal year ended December 31, 2024 (File No. 001-38699), filed with the SEC on March 21, 2025)</u>
4.1	<u>Form of Indemnification Agreement between the Registrant and each of its directors and executive officers (incorporated herein by reference to Exhibit 10.1 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.2	<u>Form of Employment Agreement with the Executive Officers of the Registrant (incorporated herein by reference to Exhibit 10.2 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.3	<u>Reimbursement Agreement dated June 15, 2012, between Studio City Entertainment Limited and Melco Resorts (Macau) Limited, which was formerly known as Melco Crown (Macau) Limited (incorporated herein by reference to Exhibit 10.8 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>

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<u>Exhibit Number</u>	<u>Description of Document</u>
4.4	<u>Services and Right to Use Direct Agreement dated November 26, 2013, among Studio City Company Limited as borrower, Melco Resorts (Macau) Limited, which was formerly known as Melco Crown (Macau) Limited, Studio City Holdings Five Limited, Industrial and Commercial Bank of China (Macau) Limited as security agent and POA agent and Deutsche Bank AG, Hong Kong Branch as agent, among others (incorporated herein by reference to Exhibit 10.9 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.5	<u>Master Services Agreement dated December 21, 2015, among Studio City Entertainment Limited, Melco Resorts (Macau) Limited, which was formerly known as Melco Crown (Macau) Limited, and other subsidiaries and affiliates of the Registrant (incorporated herein by reference to Exhibit 10.10 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.6	<u>Work Agreement No. 1 dated December 21, 2015, related to sale and purchase of certain property, plant and equipment and inventory and supplies among Studio City Entertainment Limited and other subsidiaries and affiliates of the Registrant (incorporated herein by reference to Exhibit 10.11 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.7	<u>Work Agreement No. 2 dated December 21, 2015, related to corporate services among Studio City Entertainment Limited and other subsidiaries and affiliates of the Registrant (incorporated herein by reference to Exhibit 10.12 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.8	<u>Work Agreement No. 3 dated December 21, 2015, related to certain pay-as-used charges among Studio City Entertainment Limited and other subsidiaries and affiliates of the Registrant (incorporated herein by reference to Exhibit 10.13 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.9	<u>Work Agreement No. 4 dated December 21, 2015, related to operational and property sharing services among Studio City Entertainment Limited and other subsidiaries and affiliates of the Registrant (incorporated herein by reference to Exhibit 10.14 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.10	<u>Work Agreement No. 5 dated December 21, 2015, related to limousine transportation services among Studio City Hotels Limited and other subsidiaries and affiliates of the Registrant (incorporated herein by reference to Exhibit 10.15 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.11	<u>Work Agreement No. 6 dated December 21, 2015, related to aviation services among Studio City Entertainment Limited and other subsidiaries and affiliates of the Registrant (incorporated herein by reference to Exhibit 10.16 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.12	<u>Work Agreement No. 7 dated December 21, 2015, related to collection and payment services among Studio City Entertainment Limited and other subsidiaries and affiliates of the Registrant (incorporated herein by reference to Exhibit 10.17 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.13	<u>Work Agreement No. 8 dated December 21, 2015, related to limousine transportation services among Studio City Hotels Limited and other subsidiaries and affiliates of the Registrant (incorporated herein by reference to Exhibit 10.18 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>

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<u>Exhibit Number</u>	<u>Description of Document</u>
4.14	<u>English Translation of the Order of Secretary for Public Works and Transportation published in Macau Official Gazette No. 100/2001 dated October 9, 2001, in relation to the Studio City Land Concession (incorporated herein by reference to Exhibit 10.19 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.15	<u>English Translation of the amended Order of Secretary for Public Works and Transportation published in Macau Official Gazette No. 31/2012 dated July 19, 2012, in relation to the Studio City Land Concession (incorporated herein by reference to Exhibit 10.20 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.16	<u>English Translation of the amended Order of Secretary for Public Works and Transportation published in Macau Official Gazette No. 92/2015 dated September 10, 2015, in relation to the Studio City Land Concession (incorporated herein by reference to Exhibit 10.21 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.17	<u>Participation Agreement among MSC Cotai Limited, New Cotai, LLC and the Registrant (form of which is incorporated herein by reference to Exhibit 10.22 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.18	<u>Implementation Agreement among MCO Cotai Investments Limited, New Cotai, LLC, Melco Resorts & Entertainment Limited and the Registrant (form of which is incorporated herein by reference to Exhibit 10.23 from our registration statement on Form F-1 (File No. 333-227232), as amended, initially filed with the SEC on September 7, 2018)</u>
4.19	<u>Studio City Casino Agreement by and among Studio City Entertainment Limited and Melco Resorts (Macau) Limited, dated June 23, 2022 (incorporated by reference to Exhibit 4.19 from our annual report on Form 20-F for the fiscal year ended December 31, 2022 (File No. 001-38699), filed with the SEC on March 31, 2023)</u>
4.20	<u>Extension Agreement to Master Services Agreement and Work Agreements, dated March 30, 2023 (incorporated by reference to Exhibit 4.20 from our annual report on Form 20-F for the fiscal year ended December 31, 2022 (File no. 001-38699), filed with the SEC on March 31, 2023)</u>
8.1*	<u>List of Significant Subsidiaries</u>
11.1*	<u>Insider Trading Policy</u>
12.1*	<u>CEO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
12.2*	<u>CFO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
13.1*	<u>CEO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
13.2*	<u>CFO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u>
15.1*	<u>Consent of Deloitte & Touche LLP</u>
15.2*	<u>Consent of Ernst & Young LLP, Singapore</u>
97.1	<u>Compensation Recovery Policy (incorporated by reference to Exhibit 97.1 from our annual report on Form 20-F for the fiscal year ended December 31, 2023 (File no. 001-38699), filed with the SEC on March 22, 2024)</u>
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document

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<u>Exhibit Number</u>	<u>Description of Document</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)
*	Furnished with this annual report on Form 20-F.
†	Previously filed with the Registration Statement on Form F-6 (File No. 333-227759), dated October 9, 2018, and incorporated herein by reference.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Date: March 13, 2026

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

By: /s/ Kevin Richard Benning
Name: Kevin Richard Benning
Title: Property General Manager

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STUDIO CITY INTERNATIONAL HOLDINGS LIMITED
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Studio City International Holdings Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Studio City International Holdings Limited and subsidiaries (the “Company”) as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive loss, equity and cash flows, for each of the two years in the period ended December 31, 2025, and the related notes and the financial statement schedule included in Schedule 1 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 13, 2026, expressed an unqualified opinion on the Company’s internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impairment of Long-lived Assets — Refer to Notes 5, 6 and 7 to the financial statements

Critical Audit Matter Description

The property and equipment and other long-lived assets balance (“long-lived assets”), comprising property and equipment, land-use right assets, right-of-use assets and other long-term assets was US\$2,650.7 million as of December 31, 2025, of which all are allocated to the Studio City reporting unit. The Company’s evaluation of Studio City’s long-lived assets for impairment involves an initial assessment of the assets to determine whether events or changes in circumstances exist that may indicate that the carrying amounts of the assets are no longer recoverable. Possible indications of impairment may include events or changes in circumstances affecting future cash flows of the assets, including those impacting future revenue growth rates, future market conditions and gross margin. When events or changes in circumstances exist, the Company evaluates its assets for impairment by comparing undiscounted future cash flows expected to be generated over the life of the assets to the carrying amount. If the carrying amount of an asset exceeds the undiscounted future cash flows, an analysis is performed to determine the fair value of the asset.

The Company makes significant assumptions to evaluate assets for possible indications of impairment, including future revenue growth rates and cost inflation. Changes in these assumptions could have a significant impact on the assets identified for further analysis. For the year ended December 31, 2025, no impairment loss has been recognized on long-lived assets.

Given the Company’s evaluation of possible indications of impairment of long-lived assets requires management to make significant assumptions, performing audit procedures to evaluate whether management appropriately identified events or changes in circumstances indicating that the carrying amounts of the assets may not be recoverable required a high degree of auditor judgment.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the assessment of long-lived assets for possible indications of impairment and our procedures related to the estimate of future cash flows, and the determination of fair value for those assets with impairment indicators included the following, among others:

- We tested the design and operating effectiveness of controls over management’s process to assess the impairment of its asset groups, including controls over management’s review of the significant assumptions underlying the forecasted cash flows;
- We evaluated the reasonableness of the significant assumptions and estimates included in the forecast by evaluating reasonableness of management’s forecast of future cash flows, including determination of future revenue growth rate and gross margin through inquiry with management and by comparing the forecasts to (1) the historical operating results, (2) internal communications to management and the board of directors, (3) external communications made by management to analysts and investors, (4) industry reports containing analyses of the Company and its competitors, and (5) evidence obtained in other areas of the audit;
- We evaluated management’s ability to accurately forecast future cash flows by performing retrospective analyses of management’s historical forecasts by comparing to the actual results; and
- We performed sensitivity analysis based on reasonably possible changes in the significant assumptions.

/s/ Deloitte & Touche LLP

Singapore
March 13, 2026

We have served as the Company’s auditor since 2024.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Studio City International Holdings Limited

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of operations, comprehensive loss, equity and cash flows of Studio City International Holdings Limited (the Company) for the year ended December 31, 2023, and the related notes and financial statement schedule included in Schedule 1 (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the results of the Company’s operations and its cash flows for the year ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We served as the Company’s auditor from 2022 to 2024.

Singapore
March 22, 2024, except for Note 18, as to which the date is March 21, 2025

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Studio City International Holdings Limited

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Studio City International Holdings Limited and subsidiaries (the “Company”) as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2025, of the Company and our report dated March 13, 2026, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed 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. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Singapore
March 13, 2026

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	December 31,	
	2025	2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 109,401	\$ 127,634
Accounts receivable, net of allowances for credit losses of \$11 and \$11	1,887	1,976
Receivables from affiliated companies	735	309
Inventories	8,727	7,306
Prepaid expenses and other current assets	10,740	29,140
Total current assets	131,490	166,365
Property and equipment, net	2,485,029	2,652,169
Long-term prepayments, deposits and other assets	69,141	52,504
Restricted cash	130	130
Operating lease right-of-use assets	11,571	11,647
Land use right, net	99,073	102,629
Total assets	<u>\$ 2,796,434</u>	<u>\$ 2,985,444</u>
LIABILITIES, SHAREHOLDERS' EQUITY AND PARTICIPATION INTEREST		
Current liabilities:		
Accounts payable	\$ 6,401	\$ 3,285
Accrued expenses and other current liabilities	91,438	118,117
Income tax payable	15,257	7,626
Current portion of long-term debt, net	—	21,597
Payables to affiliated companies	66,946	30,131
Total current liabilities	180,042	180,756
Long-term debt, net	2,024,569	2,141,750
Other long-term liabilities	6,290	4,115
Deferred tax liabilities, net	60	77
Operating lease liabilities, non-current	12,095	12,227
Total liabilities	<u>\$ 2,223,056</u>	<u>\$ 2,338,925</u>
Commitments and contingencies (Note 16)		

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**CONSOLIDATED BALANCE SHEETS - continued**
(In thousands, except share and per share data)

	December 31,	
	2025	2024
Shareholders' equity and participation interest:		
Class A ordinary shares, par value \$0.0001; 1,927,488,240 shares authorized; 770,352,700 shares issued and outstanding	\$ 77	\$ 77
Class B ordinary shares, par value \$0.0001; 72,511,760 shares authorized; 72,511,760 shares issued and outstanding	7	7
Additional paid-in capital	2,477,359	2,477,359
Accumulated other comprehensive income	618	8,701
Accumulated losses	(1,954,174)	(1,895,409)
Total shareholders' equity	<u>523,887</u>	<u>590,735</u>
Participation interest	<u>49,491</u>	<u>55,784</u>
Total shareholders' equity and participation interest	<u>573,378</u>	<u>646,519</u>
Total liabilities, shareholders' equity and participation interest	<u>\$ 2,796,434</u>	<u>\$ 2,985,444</u>

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

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share data)

	Year Ended December 31,		
	2025	2024	2023
Operating revenues:			
Revenue from casino contract with a related party	\$ 305,946	\$ 259,842	\$ 155,527
Rooms (including revenues from related parties of \$95,698, \$98,555 and \$72,925 for the years ended December 31, 2025, 2024 and 2023, respectively)	168,011	160,721	111,733
Food and beverage (including revenues from related parties of \$56,354, \$55,678 and \$38,513 for the years ended December 31, 2025, 2024 and 2023, respectively)	90,118	89,660	62,426
Entertainment (including revenues from related parties of \$13,860, \$25,703 and \$39,715 for the years ended December 31, 2025, 2024 and 2023, respectively)	39,115	47,533	61,777
Services fee from related parties	68,265	59,529	40,473
Mall (including revenues from a related party of \$288 for the year ended December 31, 2025)	19,202	18,289	10,744
Retail and other (including revenues from a related party of \$70 for the year ended December 31, 2025)	3,909	3,571	2,858
Total operating revenues	694,566	639,145	445,538
Operating costs and expenses:			
Costs related to casino contract (including costs to related parties of \$36,762, \$32,299 and \$27,295 for the years ended December 31, 2025, 2024 and 2023, respectively)	(38,494)	(34,704)	(28,847)
Rooms (including costs to related parties of \$32,009, \$27,149 and \$16,798 for the years ended December 31, 2025, 2024 and 2023, respectively)	(60,241)	(51,614)	(28,280)
Food and beverage (including costs to related parties of \$39,797, \$36,924 and \$25,520 for the years ended December 31, 2025, 2024 and 2023, respectively)	(79,306)	(80,081)	(54,741)
Entertainment (including costs to related parties of \$10,496, \$9,051 and \$11,922 for the years ended December 31, 2025, 2024 and 2023, respectively)	(38,430)	(46,500)	(53,056)
Mall (including costs to related parties of \$2,373, \$2,158 and \$1,797 for the years ended December 31, 2025, 2024 and 2023, respectively)	(7,726)	(7,336)	(4,212)
Retail and other (including costs to related parties of \$2,157, \$1,961 and \$1,621 for the years ended December 31, 2025, 2024 and 2023, respectively)	(2,433)	(2,306)	(1,986)
General and administrative (including expenses to related parties of \$73,207, \$70,472 and \$52,299 for the years ended December 31, 2025, 2024 and 2023, respectively)	(183,387)	(171,271)	(115,203)
Pre-opening costs (including expenses to related parties of \$174, \$91 and \$7,533 for the years ended December 31, 2025, 2024 and 2023, respectively)	(510)	(807)	(17,451)
Amortization of land use right	(3,316)	(3,314)	(3,302)
Depreciation and amortization	(208,700)	(201,746)	(166,095)
Property charges and other (including expenses to related parties of \$1,054, nil and \$1,071 for the years ended December 31, 2025, 2024 and 2023, respectively)	(1,985)	(1,318)	(1,407)
Total operating costs and expenses	(624,528)	(600,997)	(474,580)
Operating income (loss)	\$ 70,038	\$ 38,148	\$ (29,042)

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS - continued
(In thousands, except share and per share data)

	Year Ended December 31,		
	2025	2024	2023
Non-operating income (expenses):			
Interest income	\$ 914	\$ 4,059	\$ 10,675
Interest expense, net of amounts capitalized	(126,266)	(133,594)	(129,567)
Other financing costs	(1,839)	(592)	(417)
Foreign exchange gains (losses), net	462	(5,500)	642
Other expenses, net	—	—	(67)
(Loss) gain on extinguishment of debt	—	(1,000)	1,611
Total non-operating expenses, net	<u>(126,729)</u>	<u>(136,627)</u>	<u>(117,123)</u>
Loss before income tax	(56,691)	(98,479)	(146,165)
Income tax (expense) benefit	(7,606)	(7,352)	81
Net loss	(64,297)	(105,831)	(146,084)
Net loss attributable to participation interest	5,532	9,105	12,567
Net loss attributable to Studio City International Holdings Limited	<u>\$ (58,765)</u>	<u>\$ (96,726)</u>	<u>\$ (133,517)</u>
Net loss attributable to Studio City International Holdings Limited per Class A ordinary share:			
Basic and diluted	<u>\$ (0.076)</u>	<u>\$ (0.126)</u>	<u>\$ (0.173)</u>
Weighted average Class A ordinary shares outstanding used in net loss attributable to Studio City International Holdings Limited per Class A ordinary share calculation:			
Basic and diluted	<u>770,352,700</u>	<u>770,352,700</u>	<u>770,352,700</u>

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

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In thousands)

	Year Ended December 31,		
	2025	2024	2023
Net loss	\$ (64,297)	\$ (105,831)	\$ (146,084)
Other comprehensive (loss) income:			
Foreign currency translation adjustments	(8,844)	23,367	(1,078)
Other comprehensive (loss) income	(8,844)	23,367	(1,078)
Total comprehensive loss	(73,141)	(82,464)	(147,162)
Comprehensive loss attributable to participation interest	6,293	7,095	12,660
Comprehensive loss attributable to Studio City International Holdings Limited	<u>\$ (66,848)</u>	<u>\$ (75,369)</u>	<u>\$ (134,502)</u>

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

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

CONSOLIDATED STATEMENTS OF EQUITY
(In thousands, except share and per share data)

	Studio City International Holdings Limited Shareholders' Equity								
	Class A Ordinary Shares		Class B Ordinary Shares		Additional Paid-in Capital	Accumulated Other Comprehensive (Losses) Income	Accumulated Losses	Participation Interest	Total Equity
	Shares	Amount	Shares	Amount					
Balance as at January 1, 2023	770,352,700	\$ 77	72,511,760	\$ 7	\$2,477,359	\$ (11,671)	\$(1,665,166)	\$ 75,539	\$ 876,145
Net loss	—	—	—	—	—	—	(133,517)	(12,567)	(146,084)
Foreign currency translation adjustments	—	—	—	—	—	(985)	—	(93)	(1,078)
Balance as at December 31, 2023	770,352,700	77	72,511,760	7	2,477,359	(12,656)	(1,798,683)	62,879	728,983
Net loss	—	—	—	—	—	—	(96,726)	(9,105)	(105,831)
Foreign currency translation adjustments	—	—	—	—	—	21,357	—	2,010	23,367
Balance as at December 31, 2024	770,352,700	77	72,511,760	7	2,477,359	8,701	(1,895,409)	55,784	646,519
Net loss	—	—	—	—	—	—	(58,765)	(5,532)	(64,297)
Foreign currency translation adjustments	—	—	—	—	—	(8,083)	—	(761)	(8,844)
Balance as at December 31, 2025	770,352,700	\$ 77	72,511,760	\$ 7	\$2,477,359	\$ 618	\$(1,954,174)	\$ 49,491	\$ 573,378

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

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31,		
	2025	2024	2023
Cash flows from operating activities:			
Net loss	\$ (64,297)	\$(105,831)	\$(146,084)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	212,016	205,060	169,397
Amortization of deferred financing costs and original issue premiums	4,464	3,328	2,857
Loss on disposal of property and equipment and other long-term assets	725	879	541
Provision for (reversal of) credit losses	5	162	(581)
Loss (gain) on extinguishment of debt	—	1,000	(1,611)
Changes in operating assets and liabilities:			
Accounts receivable	85	318	(2,028)
Receivables from affiliated companies	(426)	40,825	(40,649)
Inventories, prepaid expenses and other	17,114	8,431	(339)
Long-term prepayments, deposits and other	674	9,942	19,335
Accounts payable, accrued expenses and other	748	13,633	40,658
Payables to affiliated companies	37,028	11,266	(61,376)
Other long-term liabilities	2,184	886	986
Net cash provided by (used in) operating activities	<u>210,320</u>	<u>189,899</u>	<u>(18,894)</u>
Cash flows from investing activities:			
Acquisition of property and equipment	(61,970)	(86,756)	(156,824)
Payments to an affiliated company for other long-term assets	(30,728)	(31,305)	(5,530)
Proceeds from sale of property and equipment	7,549	9,600	814
Net cash used in investing activities	<u>(85,149)</u>	<u>(108,461)</u>	<u>(161,540)</u>
Cash flows from financing activities:			
Repayments of long-term debt	(313,441)	(175,378)	(100,372)
Proceeds from long-term debt	170,327	—	—
Payments of financing costs	—	(7,885)	(530)
Net cash used in financing activities	<u>(143,114)</u>	<u>(183,263)</u>	<u>(100,902)</u>
Effect of exchange rate on cash, cash equivalents and restricted cash	(290)	1,419	(147)
Decrease in cash, cash equivalents and restricted cash	(18,233)	(100,406)	(281,483)
Cash, cash equivalents and restricted cash at beginning of year	127,764	228,170	509,653
Cash, cash equivalents and restricted cash at end of year	<u>\$ 109,531</u>	<u>\$ 127,764</u>	<u>\$ 228,170</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS - continued
(In thousands)

	Year Ended December 31,		
	2025	2024	2023
Supplemental cash flow disclosures:			
Cash paid for interest, net of amounts capitalized	\$(127,738)	\$ (134,951)	\$ (113,419)
Cash paid for amounts included in the measurement of lease liabilities - operating cash flows from operating leases	\$ (677)	\$ (677)	\$ (673)
Repayments of long-term debt to a director of SCIH	\$ —	\$ (30,000)	\$ —
Proceeds on sale of property and equipment from affiliated companies	\$ 7,548	\$ 9,600	\$ 809
Non-cash disclosures:			
Change in operating lease right-of-use assets and lease liabilities arising from lease modification	\$ 6	\$ 3	\$ (1,456)
Change in accrued expenses and other current liabilities related to acquisition of property and equipment	\$ 7,223	\$ 18,290	\$ 11,600
Change in payables to affiliated companies related to acquisition of property and equipment	\$ 221	\$ 394	\$ 432
Change in accrued expenses and other current liabilities related to financing costs	\$ (152)	\$ 1,431	\$ 125
Transfer of property and equipment to assets under sales-type lease and included in prepaid expenses and other current assets and long-term prepayments, deposits and other assets	\$ 1,783	\$ —	\$ —

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

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(In thousands, except share and per share data)

1. ORGANIZATION AND BUSINESS

Studio City International Holdings Limited (“SCIH”) is an exempted company with limited liability registered by way of continuation in the Cayman Islands and its American depository shares (“ADSs”) are listed on the New York Stock Exchange under the symbol “MSC” in the United States of America (the “U.S.”).

SCIH together with its subsidiaries (collectively referred to as the “Company”) currently operates the non-gaming operations of Studio City, a cinematically-themed integrated resort in Cotai, the Macau Special Administrative Region of the People’s Republic of China (“Macau”), and provides services pursuant to a casino contract to Melco Resorts (Macau) Limited (“MRM”), a subsidiary of Melco Resorts & Entertainment Limited (“Melco Resorts”), which holds the gaming concession in Macau, for the operations of the gaming area at Studio City (“Studio City Casino”). Melco Resorts’ ADSs are listed on the Nasdaq Global Select Market in the U.S.

SCIH authorized two classes of ordinary shares, the Class A ordinary shares and the Class B ordinary shares, in each case with a par value of \$0.0001 each. The Class A ordinary share and Class B ordinary share have the same rights, except that holders of the Class B ordinary shares do not have any right to receive dividends or distributions upon the liquidation or winding up of SCIH or to otherwise share in profits and surplus assets. MCO Cotai Investments Limited, a subsidiary of Melco Resorts, through its ownership of the Class A ordinary shares, is the controlling shareholder of SCIH. New Cotai, LLC (“New Cotai”), a private company organized in the U.S., is the holder of all outstanding Class B ordinary shares which have only voting and no economic rights. New Cotai has a non-voting, non-shareholding economic participation interest (“Participation Interest”) in MSC Cotai Limited (“MSC Cotai”), a subsidiary of SCIH, which entitles New Cotai to receive from MSC Cotai an amount equal to a certain percentage of the amount of any distribution, dividend or other consideration paid by MSC Cotai to SCIH, subject to adjustments, exceptions and conditions as set out in the participation agreement (the “Participation Agreement”) entered into by MSC Cotai, New Cotai and SCIH in 2018 (the “MSC Cotai’s Distribution”). The Participation Agreement also provides that New Cotai is entitled to exchange all or a portion of its Participation Interest for a number of Class A ordinary shares subject to adjustments, exceptions and conditions as set out in the Participation Agreement and a proportionate number of Class B ordinary shares will be deemed surrendered and automatically cancelled for no consideration as set out in the Participation Agreement when New Cotai exchanges all or a portion of the Participation Interest for Class A ordinary shares. As of December 31, 2025 and 2024, the Participation Interest entitled New Cotai to receive from MSC Cotai an amount equal to approximately 9.4% of the MSC Cotai’s Distribution in each of those years.

Melco International Development Limited (“Melco International” or “Ultimate Parent”), a company listed in the Hong Kong Special Administrative Region of the People’s Republic of China (“Hong Kong”), is the single largest shareholder of Melco Resorts.

As of December 31, 2025, the Company had cash and cash equivalents of \$109,401 and available unused borrowing capacity of \$199,969 of which \$119,935 is available to draw, subject to the satisfaction of certain conditions precedent.

The Company believes it is able to support continuing operations and capital expenditures for at least twelve months after the date of these consolidated financial statements are issued. Accordingly, the accompanying consolidated financial statements are prepared on a going concern basis.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) **Basis of Presentation and Principles of Consolidation**

While the previous MRM gaming subconcession expired on December 31, 2022, on December 16, 2022, the Macau government awarded a ten-year concession to operate games of fortune and chance in casinos in Macau (the “Concession”) to MRM. The term of the Concession commenced on January 1, 2023 and ends on December 31, 2032. Under the Concession, MRM is authorized to operate the Studio City Casino.

On June 23, 2022, MRM and Studio City Entertainment Limited (“SCE”), a subsidiary of SCIH, amended a prior services and right to use agreement together with related agreements (the “Studio City Casino Agreement”) to align such agreement with the enacted amendments to the Macau gaming law. Under the Studio City Casino Agreement, MRM operates the Studio City Casino since the Company does not hold a gaming concession in Macau, and it also deducts gaming taxes and the costs incurred in connection with the operations of the Studio City Casino from Studio City Casino’s gross gaming revenues. The residual gross gaming revenues which the Company receives as revenue is captioned as revenue from casino contract.

In March 2023, SCIH and certain of its subsidiaries extended a prior master services agreement; and certain of its subsidiaries also extended the prior related work agreements (collectively, the “Management and Shared Services Arrangements”) with certain of Melco Resorts’ subsidiaries with respect to services provided to and from Studio City, which expired in June 2022 and were extended to December 31, 2032.

Under the Management and Shared Services Arrangements, certain of the corporate and administrative functions as well as operational activities of the Company are administered by staff employed by certain Melco Resorts subsidiaries, including senior management services, centralized corporate functions and operational and venue support services. Payment arrangements for the services are provided for in the individual work agreements and may vary depending on the services provided. Corporate services are charged at pre-negotiated rates, subject to a base fee and cap. Senior management service fees and staff costs on operational services are allocated to the Company based on percentages of efforts on the services provided to the Company. Other costs in relation to shared office equipment are allocated based on a percentage of usage.

The Company believes the costs incurred under the Studio City Casino Agreement and the allocation methods under the Management and Shared Services Arrangements are reasonable and the accompanying consolidated financial statements reflect the Company’s cost of doing business. However, such allocations may not be indicative of the actual expenses the Company would have incurred had it operated as an independent company for the periods presented. Details of the services and related charges are disclosed in Note 17.

The accompanying consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles (“U.S. GAAP”).

The accompanying consolidated financial statements include the accounts of SCIH and its subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

(b) **Use of Estimates**

The preparation of the accompanying consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, revenues and expenses and related disclosures of contingent assets and liabilities.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(b) **Use of Estimates** - continued

Estimates are used for, but not limited to, inputs into the Company's estimated allowances for deferred tax assets and credit losses, useful lives and recoverability of long-lived assets, litigation and contingency estimates. These estimates and judgments are based on historical information, information that is currently available to the Company and on various other assumptions that the Company believes to be reasonable under the circumstances. Accordingly, actual results could differ from those estimates.

(c) **Fair Value of Financial Instruments**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants at the measurement date. The Company estimated the fair values using appropriate valuation methodologies and market information available as of the balance sheet date.

(d) **Cash and Cash Equivalents**

Cash and cash equivalents consist of cash and highly liquid investments with original maturities of three months or less. Cash equivalents consist of bank time deposits placed with financial institutions with high-credit ratings and quality.

(e) **Restricted Cash**

The current portion of restricted cash, if any, represents cash deposited into bank accounts which are restricted as to withdrawal and use and the Company expects these funds will be released or utilized in accordance with the terms of the respective agreements within the next twelve months, while the non-current portion of restricted cash represents funds that will not be released or utilized within the next twelve months. Restricted cash mainly represents collateral bank accounts associated with borrowings under the credit facilities.

(f) **Accounts Receivable and Credit Risk**

Accounts receivable, including hotel and other receivables, are typically non-interest bearing and are recorded at amortized cost. Accounts are written off when management deems it is probable the receivables are uncollectible. Recoveries of accounts previously written off are recorded when received. An estimated allowance for credit losses is maintained to reduce the Company's receivables to their carrying amounts and reflects the net amount the Company expects to collect. The allowance for credit losses is estimated based on specific reviews of the age of the balances owed, the customers' financial condition, management's experience with the collection trends of customers, current business and economic conditions, and management's expectations of future business and economic conditions.

Management believes that as of December 31, 2025 and 2024, no significant concentrations of credit risk existed for which an allowance had not already been recorded.

(g) **Inventories**

Inventories consist of retail merchandise, food and beverage items and certain operating supplies, which are stated at the lower of cost or net realizable value. Cost is calculated using the weighted average method.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(h) **Prepaid Expenses and Other Current Assets**

Prepaid expenses and other current assets represent current assets that are typically used up or expire within the normal operating cycle of the Company. The prepaid expenses as of December 31, 2025 and 2024 were \$6,416 and \$25,874, respectively, and the other current assets as of December 31, 2025 and 2024 were \$4,324 and \$3,266, respectively.

(i) **Property and Equipment**

Property and equipment are stated at cost, net of accumulated depreciation and amortization, and accumulated impairment, if any. Gains or losses on dispositions of property and equipment are included in the accompanying consolidated statements of operations. Major additions, renewals and betterments are capitalized, while maintenance and repairs are expensed as incurred.

During the construction and development stage of Studio City, direct and incremental costs related to the design and construction, including costs under construction contracts, duties and tariffs, equipment installations, shipping costs, payroll and payroll-benefit related costs, applicable portions of interest, including amortization of deferred financing costs, are capitalized in property and equipment. The capitalization of such costs begins when the construction and development of a project starts and ceases once the construction is substantially completed or development activities are substantially suspended.

Depreciation and amortization expense related to capitalized construction costs and other property and equipment is recognized from the time each asset is placed in service. This may occur at different stages as Studio City's facilities are completed and opened.

Property and equipment are depreciated and amortized over the following estimated useful lives on a straight-line basis:

Buildings	4 to 40 years
Furniture, fixtures and equipment	2 to 15 years
Leasehold improvements	5 to 10 years or over the lease term, whichever is shorter
Motor vehicles	5 years

(j) **Capitalized Interest**

Interest, including amortization of deferred financing costs, associated with major development and construction projects is capitalized and included in the cost of the projects. The capitalization of interest ceases when the project is substantially completed or the development activities are substantially suspended. The amount to be capitalized is determined by applying the weighted average interest rate of the Company's outstanding borrowings to the average amount of accumulated qualifying capital expenditures for assets under construction during the year. Total interest expense incurred amounted to \$126,266, \$133,594 and \$144,806, of which nil, nil and \$15,239 were capitalized during the years ended December 31, 2025, 2024 and 2023, respectively.

(k) **Other Long-term Assets**

Other long-term assets, net represents the payments to MRM from the Company for the future economic benefits of the Studio City Casino Agreement for the operation of Studio City Casino, less subsequent accumulated amortization and accumulated impairment, if any.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(k) **Other Long-term Assets** - continued

Other long-term assets are amortized using the straight-line method over the respective estimated useful lives of certain property and equipment for the operation of Studio City Casino (the “Studio City Gaming Assets”), ranging from 18 months to 10 years. The Reversion Assets (as defined in Note 5) (including certain of the Studio City Gaming Assets) that reverted to the Macau government at the expiration of the previous gaming subconcession on December 31, 2022, are currently owned by the Macau government. Effective as of January 1, 2023, the Reversion Assets (including certain of the Studio City Gaming Assets) were transferred by the Macau government to MRM for the duration of the Concession, in return for annual payments for the right to use and operate the Reversion Assets (as disclosed in Note 5).

The cost of the other long-term assets is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of an item of the Studio City Gaming Assets in Studio City Casino. Generally, any gain or loss arising on the disposal or retirement of cost of the other long-term assets is determined as the difference between the sale proceeds and the carrying amount of an item of the Studio City Gaming Assets and is recognized in the accompanying consolidated statements of operations.

(l) **Impairment of Long-lived Assets**

The Company evaluates the long-lived assets with finite lives to be held and used for impairment whenever indicators of impairment exist. The Company then compares the estimated future cash flows of the assets, on an undiscounted basis, to the carrying values of the assets. Estimating future cash flows of the assets involves significant assumptions, including future revenue growth rates, future market conditions and gross margin. If the undiscounted cash flows exceed the carrying values, no impairments are indicated. If the undiscounted cash flows do not exceed the carrying values, then an impairment charge is recorded based on the fair values of the assets, typically measured using a discounted cash flow model involving significant assumptions, such as discount rates. If an asset is still under development, future cash flows include remaining construction costs.

No impairment of long-lived assets was recognized during the years ended December 31, 2025, 2024 and 2023.

(m) **Deferred Financing Costs**

Direct and incremental costs incurred in obtaining loans or in connection with the issuance of long-term debt are capitalized and amortized to interest expense over the terms of the related debt agreements using the effective interest method. Deferred financing costs incurred in connection with the issuance of revolving credit facilities are included in other assets, either current or non-current, in the accompanying consolidated balance sheets, based on the maturity of each revolving credit facility. All other deferred financing costs are presented as a reduction of long-term debt in the accompanying consolidated balance sheets.

(n) **Land Use Right**

Land use right represents the upfront land premium paid for the use of land held under an operating lease, which is stated at cost, net of accumulated amortization. Amortization is recognized over the estimated term of the land use right of 40 years on a straight-line basis.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(o) Leases

At the inception of the contract or upon modification, the Company will perform an assessment as to whether the contract is a lease or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. A lessee has control of an identified asset if it has both the right to direct the use of the asset and the right to receive substantially all of the economic benefits from the use of the asset.

Finance and operating lease right-of-use assets and liabilities are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. The initial measurement of the right-of-use assets also includes any prepaid lease payments and any initial direct costs incurred and is reduced by any lease incentive received. For leases where the rate implicit in the lease is not readily determinable, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The expected lease terms include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such option. Lease expense for minimum lease payments is recognized on a straight-line basis over the expected lease term. Leases with an expected term of 12 months or less are not accounted for on the balance sheet and the related lease expense is recognized on a straight-line basis over the expected lease term.

The Company's lease contracts have lease and non-lease components. For contracts in which the Company is a lessee, the Company accounts for the lease components and non-lease components as a single lease component for all classes of underlying assets, except for real estate. For contracts in which the Company is a lessor, the lease components and non-lease components are accounted for separately.

(p) Revenue Recognition

The Company's revenues from contracts with customers consist of revenue from casino contract, sales of rooms, food and beverage, entertainment, retail and other goods and services.

Revenue from casino contract represents revenue arising from the Studio City Casino Agreement for the operations of Studio City Casino by MRM. Under the Studio City Casino Agreement, MRM deducts gaming taxes and the costs incurred in connection with its operations from Studio City Casino's gross gaming revenues, including the standalone selling prices of complimentary services within Studio City provided to the gaming patrons of Studio City Casino. The residual amount which the Company receives as revenue is captioned as revenue from casino contract. The Company has concluded that it is not the controlling entity to the arrangements and recognizes the revenue from casino contract on a net basis.

Non-gaming revenues include services provided for cash consideration and services provided on a complimentary basis to the gaming patrons at Studio City. The transaction prices for rooms, food and beverage, entertainment, retail and other goods and services are the net amounts collected from customers for such goods and services that are recorded as revenues when the goods are provided, services are performed or events are held. Service taxes and other applicable taxes collected by the Company are excluded from revenues. Advance deposits on rooms and convention space and advance ticket sales are recorded as customer deposits until services are provided to the customers. Revenues from contracts with multiple goods or services provided by the Company are allocated to each good or service based on its relative standalone selling price.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(p) **Revenue Recognition** - continued

The Company follows the accounting standards for reporting revenue gross as a principal versus net as an agent, when accounting for the operations of an externally managed hotel and concluded that it is the controlling entity and is the principal to this arrangement. For the operations of this externally managed hotel, as the Company is the owner of the hotel property, the hotel manager operates the hotel under a management agreement providing management services to the Company, and the Company receives all rewards and takes substantial risks associated with the hotel's business, it is the principal and the transactions are, therefore, recognized on a gross basis.

Minimum operating and right to use fees representing lease revenues, adjusted for contractual base fees and operating fee escalations, are included in mall revenues and are recognized over the terms of the related agreements on a straight-line basis. Sales-type lease income is included in retail and other revenues and is recognized on an effective interest rate basis at a constant rate of return over the term of the applicable leases using the rate implicit in the leases.

Contract and Contract-Related Liabilities

In providing goods and services to customers, there may be a timing difference between cash receipts from customers and recognition of revenues, resulting in a contract or contract-related liability. The Company's primary types of liabilities related to contracts with customers are advance deposits on rooms and convention space and advance ticket sales which represent cash received in advance for goods or services yet to be provided. These amounts are included in accrued expenses and other current liabilities on the accompanying consolidated balance sheets and will be recognized as revenues when the goods or services are provided or the events are held. Decreases in this balance generally represent the recognition of revenues and increases in the balance represent additional deposits made by customers. The deposits are expected to primarily be recognized as revenues within one year. Advance customer deposits and ticket sales of \$4,692 as of December 31, 2025 decreased by \$952 from the balance of \$5,644 as of December 31, 2024. Advance customer deposits and ticket sales of \$5,644 as of December 31, 2024 increased by \$1,212 from the balance of \$4,432 as of December 31, 2023.

(q) **Pre-opening Costs**

Pre-opening costs represent personnel, marketing and other costs incurred prior to the opening of new or start-up operations and are expensed as incurred. During the years ended December 31, 2025, 2024 and 2023, the Company incurred pre-opening costs in connection with the development of Studio City Phase 2 and other one-off activities related to the marketing of new facilities and operations of Studio City.

(r) **Advertising and Promotional Costs**

The Company expenses advertising and promotional costs the first time the advertising takes place or as incurred. Advertising and promotional costs included in the accompanying consolidated statements of operations were \$33,663, \$33,165 and \$22,668 for the years ended December 31, 2025, 2024 and 2023, respectively.

(s) **Interest Income**

Interest income is recorded on an accrual basis at the stated interest rate and is recorded in interest income in the accompanying consolidated statements of operations.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(t) **Foreign Currency Transactions and Translations**

All transactions in currencies other than functional currencies of SCIH and its subsidiaries during the year are remeasured at the exchange rates prevailing on the respective transaction dates. Monetary assets and liabilities existing at the balance sheet date denominated in currencies other than functional currencies are remeasured at the exchange rates existing on that date. Exchange differences are recorded in the accompanying consolidated statements of operations.

The functional currency of SCIH is the U.S. dollar (“\$” or “US\$”) and the functional currency of most of SCIH’s foreign subsidiaries is the local currency in which the subsidiary operates. All assets and liabilities are translated at the rates of exchange prevailing at the balance sheet date and all income and expense items are translated at the average rates of exchange over the year. All exchange differences arising from the translation of foreign subsidiaries’ financial statements are recorded as a component of other comprehensive (loss) income.

(u) **Comprehensive Loss and Accumulated Other Comprehensive Income**

Comprehensive loss includes net loss and other non-shareholder changes in equity, or other comprehensive (loss) income. Components of the Company’s comprehensive loss are reported in the accompanying consolidated statements of equity and consolidated statements of comprehensive loss.

As of December 31, 2025 and 2024, the Company’s accumulated other comprehensive income consisted solely of foreign currency translation adjustments, net of participation interest.

(v) **Income Tax**

The Company is subject to income taxes in Macau and Hong Kong where it operates.

Deferred income taxes are recognized for all significant temporary differences between the tax basis of assets and liabilities and their reported amounts in the accompanying consolidated financial statements. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Current income taxes are provided for in accordance with the laws of the relevant taxing authorities.

The Company’s income tax returns are subject to examination by tax authorities in the jurisdictions where it operates. The Company assesses potentially unfavorable outcomes of such examinations based on accounting standards for uncertain income taxes. These accounting standards utilize a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more likely than not that the position, based on the technical merits of the position, will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount which is more than 50% likely, based on cumulative probability.

(w) **Net Loss Attributable to Studio City International Holdings Limited Per Class A Ordinary Share**

Basic net loss attributable to Studio City International Holdings Limited per Class A ordinary share is calculated by dividing the net loss attributable to Studio City International Holdings Limited by the weighted average number of Class A ordinary shares outstanding during the year.

Diluted net loss attributable to Studio City International Holdings Limited per Class A ordinary share is calculated by dividing the net loss attributable to Studio City International Holdings Limited adjusted

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(w) Net Loss Attributable to Studio City International Holdings Limited Per Class A Ordinary Share - continued

for participation interest by the weighted average number of Class A ordinary shares outstanding during the year adjusted to include the number of additional Class A ordinary shares that would have been outstanding if potential dilutive securities had been issued and the if-converted method is applied for the potential dilutive effect of the exchange of Class B ordinary shares for the proportionate number of Class A ordinary shares. During the years ended December 31, 2025, 2024 and 2023, there were anti-dilutive Class A ordinary shares that would have been outstanding if potential dilutive securities had been issued and the if-converted method is applied for the potential dilutive effect of the exchange of Class B ordinary shares for the proportionate number of Class A ordinary shares.

Basic and diluted net loss attributable to Studio City International Holdings Limited per Class A ordinary share does not include Class B ordinary shares as such shares do not participate in the net loss of SCIH. As a result, Class B ordinary shares are not considered participating securities and are not included in the weighted average number of shares outstanding for purposes of computing net loss attributable to Studio City International Holdings Limited per share.

The weighted average number of Class A ordinary shares used in the calculation of basic and diluted net loss attributable to Studio City International Holdings Limited per Class A ordinary share consisted of the following:

	Year Ended December 31,		
	2025	2024	2023
Weighted average number of Class A ordinary shares outstanding used in the calculation of basic net loss attributable to Studio City International Holdings Limited per Class A ordinary share	770,352,700	770,352,700	770,352,700
Incremental weighted average number of Class A ordinary shares from assumed exchange of Class B ordinary shares to Class A ordinary shares under the if-converted method	—	—	—
Weighted average number of Class A ordinary shares outstanding used in the calculation of diluted net loss attributable to Studio City International Holdings Limited per Class A ordinary share	<u>770,352,700</u>	<u>770,352,700</u>	<u>770,352,700</u>
Anti-dilutive Class A ordinary shares under the if-converted method excluded from the calculation of diluted net loss attributable to Studio City International Holdings Limited per Class A ordinary share	<u>72,511,760</u>	<u>72,511,760</u>	<u>72,511,760</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

(x) Recent Changes in Accounting Standards

Newly Adopted Accounting Pronouncement

In December 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2023-09, “Improvements to Income Tax Disclosures” which includes amendments that further enhance income tax disclosures, primarily through providing additional information in the rate reconciliation and additional disclosures about income taxes paid by jurisdiction. The Company adopted ASU 2023-09 prospectively for the year ended December 31, 2025. The adoption of this guidance did not have an effect on the Company’s financial position, results of operations and cash flows, noting the adoption resulted in additional disclosures only in the current annual period. Refer to Note 13 for the income tax disclosures.

Recent Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU No. 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (“ASU 2024-03”), and in January 2025, the FASB issued ASU No. 2025-01, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date (“ASU 2025-01”). ASU 2024-03 requires additional disclosure of the nature of expenses included in the income statement as well as disclosures about specific types of expenses included in the expense captions presented in the income statement. ASU 2024-03, as clarified by ASU 2025-01, is effective for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, with early adoption permitted. This guidance will be applied either prospectively or retrospectively. The Company is currently evaluating the impact that the adoption of these standards will have on the Company’s consolidated financial statements and disclosures.

In July 2025, the FASB issued ASU 2025-05, “Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets”. ASU 2025-05 provides a practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets. ASU 2025-05 is effective for annual reporting periods beginning after December 15, 2025 and interim reporting periods within those annual reporting periods and should be applied prospectively. Early adoption is permitted, and the Company is currently assessing the impact of adoption.

3. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

Cash, cash equivalents and restricted cash reported within the accompanying consolidated statements of cash flows consisted of the following:

	December 31,	
	2025	2024
Cash	\$ 94,107	\$ 93,682
Cash equivalents	15,294	33,952
Total cash and cash equivalents	109,401	127,634
Non-current portion of restricted cash	130	130
Total cash, cash equivalents and restricted cash	<u>\$109,531</u>	<u>\$127,764</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

4. ACCOUNTS RECEIVABLE, NET

Components of accounts receivable, net are as follows:

	December 31,	
	2025	2024
Hotel	\$ 1,721	\$ 1,752
Other	177	235
Sub-total	1,898	1,987
Less: allowances for credit losses	(11)	(11)
Accounts receivable, net	<u>\$ 1,887</u>	<u>\$ 1,976</u>

The Company's allowances for credit losses as of December 31, 2025 and 2024 were from its hotel receivables.

Movement in the allowances for credit losses are as follows:

	Year Ended December 31,		
	2025	2024	2023
Balance at beginning of year	\$ 11	\$ 10	\$ —
Provision for credit losses	—	1	10
Balance at end of year	<u>\$ 11</u>	<u>\$ 11</u>	<u>\$ 10</u>

5. PROPERTY AND EQUIPMENT, NET

	December 31,	
	2025	2024
Buildings	\$ 3,406,145	\$ 3,414,388
Furniture, fixtures and equipment	327,158	318,502
Leasehold improvements	182,802	160,161
Motor vehicles	2,727	2,732
Construction in progress	—	558
Sub-total	3,918,832	3,896,341
Less: accumulated depreciation and amortization	(1,433,803)	(1,244,172)
Property and equipment, net	<u>\$ 2,485,029</u>	<u>\$ 2,652,169</u>

The depreciation and amortization expenses of property and equipment recognized for the years ended December 31, 2025, 2024 and 2023 were \$196,985, \$194,617 and \$158,746, respectively.

The cost and accumulated amortization of right-of-use assets held under finance lease arrangements were \$1,257 and \$190 as of December 31, 2025 and \$1,260 and \$65 as of December 31, 2024, respectively. Further information on the lease arrangements is included in Note 10.

Under the terms of the Macau gaming law and the Concession, the gaming and gaming support areas comprising the Studio City Casino with an area of 28,784.3 square meters held by Studio City Developments Limited ("SCD"), a subsidiary of SCIH, under a land concession contract and all related

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

5. PROPERTY AND EQUIPMENT, NET - continued

gaming equipment and utensils (collectively referred to as the “Reversion Assets”), reverted to the Macau government without compensation and free and clear from any charges or encumbrances on December 31, 2022 at the expiration of the previous MRM gaming subconcession. Effective as of January 1, 2023, the Reversion Assets have been transferred by the Macau government to MRM for the duration of the Concession, in return for annual payments for the right to use and operate the Reversion Assets. The Reversion Assets are currently owned by the Macau government and MRM pays an annual fee of MOP0.75 (equivalent to \$0.09) per square meter of the casino for years 1 to 3 of the Concession, subject to a consumer price index increase in years 2 and 3 of the Concession and such fee will increase to MOP2.5 (equivalent to \$0.3) per square meter of the casino for years 4 to 10 of the Concession, subject to a consumer price index increase in years 5 to 10 of the Concession.

As Studio City Casino continues to be operated in and with the Reversion Assets in the same manner as under the previous MRM gaming subconcession and obtains substantially all of the economic benefits and bears all of the risks arising from the operation of the Reversion Assets, and assuming MRM will be successful in obtaining a new concession upon expiry of the Concession, MRM and SCD continue to recognize these Reversion Assets as property and equipment over their remaining estimated useful lives.

6. LONG-TERM PREPAYMENTS, DEPOSITS AND OTHER ASSETS

Long-term prepayments, deposits and other assets consisted of the following:

	December 31,	
	2025	2024
Other long-term assets	\$ 83,099	\$ 53,106
Less: accumulated amortization	(28,035)	(16,960)
Other long-term assets, net	55,064	36,146
Deferred financing costs, net	7,084	8,792
Other deposits and other	3,912	4,484
Investment in a sales-type lease	1,509	—
Deposits for acquisition of property and equipment	1,343	2,852
Long-term prepayments	229	230
Long-term prepayments, deposits and other assets	<u>\$ 69,141</u>	<u>\$ 52,504</u>

The amortization expenses of other long-term assets recognized for the years ended December 31, 2025, 2024 and 2023 were \$11,715, \$7,124 and \$5,985, respectively.

7. LAND USE RIGHT, NET

	December 31,	
	2025	2024
Cost	\$ 178,437	\$ 178,844
Less: accumulated amortization	(79,364)	(76,215)
Land use right, net	<u>\$ 99,073</u>	<u>\$ 102,629</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

8. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	December 31,	
	2025	2024
Interest expense payables	\$ 49,888	\$ 55,856
Operating expense and other accruals and liabilities	15,926	19,250
Staff cost accruals	10,096	9,874
Property and equipment payables	8,834	25,940
Advance customer deposits and ticket sales	4,692	5,644
Operating lease liabilities	2,002	1,553
Accrued expenses and other current liabilities	<u>\$ 91,438</u>	<u>\$ 118,117</u>

9. LONG-TERM DEBT, NET

Long-term debt, net consisted of the following:

	December 31,	
	2025	2024
2025 SCF Senior Notes, 6.000% and due 2025 (net of unamortized deferred financing costs of nil and \$253, respectively)	\$ —	\$ 221,369
2027 SCC Senior Secured Notes, 7.000% and due 2027 (net of unamortized deferred financing costs of \$1,596 and \$2,862, respectively)	348,404	347,138
2028 SCF Senior Notes, 6.500% and due 2028 (net of unamortized deferred financing costs of \$1,582 and \$2,299, respectively)	498,418	497,701
2029 SCF Senior Notes, 5.000% and due 2029 (net of unamortized deferred financing costs and original issue premiums of \$2,318 and \$2,990, respectively)	1,097,682	1,097,010
SCC 2021 Credit Facilities, due 2029		
SCC 2021 Term Loan	129	129
SCC 2021 Revolving Facility ⁽¹⁾	29,944	—
SCC 2024 Revolving Facilities, due 2029 ⁽²⁾	49,992	—
	<u>2,024,569</u>	<u>2,163,347</u>
Less: Current portion of long-term debt, net	—	(21,597)
Long-term debt, net	<u>\$ 2,024,569</u>	<u>\$ 2,141,750</u>

- (1) As of December 31, 2025 and 2024, the unamortized deferred financing costs related to the SCC 2021 Revolving Facility of \$248 and \$308, respectively, are included in long-term prepayments, deposits and other assets in the accompanying consolidated balance sheets.
- (2) As of December 31, 2025 and 2024, the unamortized deferred financing costs related to the SCC 2024 Revolving Facilities of \$6,836 and \$8,484, respectively, are included in long-term prepayments, deposits and other assets in the accompanying consolidated balance sheets.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued**
(In thousands, except share and per share data)**9. LONG-TERM DEBT, NET - continued****SCF Senior Notes**

On July 15, 2020, Studio City Finance Limited (“SCF”), a subsidiary of SCIH, issued two series of senior unsecured notes in an aggregate principal amount of \$1,000,000, consisting of \$500,000 of 6.000% Senior Notes due July 15, 2025 at an issue price of 100% of the principal amount (the “2025 SCF Senior Notes”) and \$500,000 of 6.500% Senior Notes due January 15, 2028 at an issue price of 100% of the principal amount (the “2028 SCF Senior Notes”) pursuant to an indenture, dated July 15, 2020 (the “2025 SCF Indenture”) among SCF, the guarantors and the trustee. The net proceeds from the offering of the 2025 SCF Senior Notes and the 2028 SCF Senior Notes were partially used to redeem in full the previous senior secured notes of Studio City Company Limited (“SCC”), a subsidiary of SCIH, with the remaining amount used for capital expenditures of the remaining development project at Studio City.

On November 9, 2023, SCF initiated a cash tender offer (the “2025 SCF Senior Notes Tender Offer (2023)”) which expired on December 8, 2023, subject to the terms and conditions, to purchase for up to an aggregate principal amount of \$75,000 of the 2025 SCF Senior Notes and was subsequently amended to increase to \$100,000 (the maximum tender amount). SCF purchased an aggregate principal amount of \$100,000 of the 2025 SCF Senior Notes that were validly tendered (and not validly withdrawn) pursuant to the 2025 SCF Senior Notes Tender Offer (2023), as amended, and settled the transaction on November 28, 2023. On April 8, 2024, SCF initiated a cash tender offer (the “2025 SCF Senior Notes Tender Offer (2024)”) which expired on May 6, 2024, subject to the terms and conditions, to purchase for up to an aggregate principal amount of \$100,000 of the outstanding 2025 SCF Senior Notes and was subsequently amended to increase to \$100,029 (the maximum tender amount). SCF purchased an aggregate principal amount of \$100,029 of the 2025 SCF Senior Notes that were validly tendered (and not validly withdrawn) pursuant to the 2025 SCF Senior Notes Tender Offer (2024), as amended, and settled the transaction on April 24, 2024. Other than the 2025 SCF Senior Notes Tender Offer (2023) and the 2025 SCF Senior Notes Tender Offer (2024), SCF repurchased an aggregate principal amount of \$75,349 and \$3,000 of the 2025 SCF Senior Notes during the years ended December 31, 2024 and 2023, respectively. The 2025 SCF Senior Notes Tender Offer (2024) and repurchases of the 2025 SCF Senior Notes during the year ended December 31, 2024 included certain amounts purchased from a related party as disclosed in Note 17. In connection with the 2025 SCF Senior Notes Tender Offer (2023) and the 2025 SCF Senior Notes Tender Offer (2024), and the repurchases of the 2025 SCF Senior Notes during the years ended December 31, 2024 and 2023, the Company recorded a loss on extinguishment of debt of \$1,000 and a gain on extinguishment of debt of \$1,611 during the years ended December 31, 2024 and 2023, respectively. On July 15, 2025, SCF fully redeemed the outstanding principal amount of the 2025 SCF Senior Notes of \$221,622 at maturity with funds drawn from SCC Credit Facilities (as defined below) and cash on hand.

On January 14, 2021, SCF issued senior unsecured notes in an aggregate principal amount of \$750,000 of 5.000% Senior Notes due January 15, 2029 at an issue price of 100% of the principal amount (the “Initial 2029 SCF Senior Notes”) pursuant to an indenture, dated January 14, 2021 (the “2029 SCF Indenture”); and on May 20, 2021 further issued senior unsecured notes in an aggregate principal amount of \$350,000 of 5.000% Senior Notes due January 15, 2029 at an issue price of 101.50% of the principal amount (the “Additional 2029 SCF Senior Notes”) which were consolidated to form a single series with the Initial 2029 SCF Senior Notes (and together, the “2029 SCF Senior Notes”). The net proceeds from the offering of the Initial 2029 SCF Senior Notes were primarily used to fund the conditional tender offer and the remaining outstanding balance with accrued interest of previous senior notes of SCF in February 2021. The net proceeds from the offering of the Additional 2029 SCF Senior Notes were used to partially fund the capital expenditures of the remaining development project at Studio City and for general corporate purposes.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

9. LONG-TERM DEBT, NET - continued

SCF Senior Notes - continued

The 2028 SCF Senior Notes and the 2029 SCF Senior Notes, are collectively referred to as the “SCF Senior Notes”. The 2025 SCF Indenture and the 2029 SCF Indenture, are collectively referred to as the “SCF Indentures”.

There are no interim principal payments on the SCF Senior Notes and interest is payable semi-annually in arrears on each January 15 and July 15 with respect to each series of the SCF Senior Notes.

The SCF Senior Notes are general obligations of SCF. Each series of the SCF Senior Notes rank equally in right of payment to all existing and future senior indebtedness of SCF, rank senior in right of payment to any existing and future subordinated indebtedness of SCF and are effectively subordinated to all of SCF’s existing and future secured indebtedness (to the extent of the value of the property and assets securing such indebtedness).

All of the existing subsidiaries of SCF and any other future restricted subsidiaries that provide guarantees of certain specified indebtedness (the “SCF Senior Notes Guarantors”) jointly, severally and unconditionally guarantee the SCF Senior Notes on a senior basis (the “SCF Senior Notes Guarantees”). The SCF Senior Notes Guarantees are general obligations of the SCF Senior Notes Guarantors, rank equally in right of payment to all existing and future senior indebtedness of the SCF Senior Notes Guarantors and rank senior in right of payment to any existing and future subordinated indebtedness of the SCF Senior Notes Guarantors. The SCF Senior Notes Guarantees are effectively subordinated to the SCF Senior Notes Guarantors’ obligations under all existing and any future secured indebtedness (to the extent of the value of such property and assets securing such indebtedness).

Each of the SCF Indentures contains certain covenants, subject to certain exceptions and conditions, that limit the ability of SCF and its restricted subsidiaries to, among other things: (i) incur or guarantee additional indebtedness; (ii) make specified restricted payments; (iii) issue or sell capital stock; (iv) sell assets; (v) create liens; (vi) enter into agreements that restrict the restricted subsidiaries’ ability to pay dividends, transfer assets or make intercompany loans; (vii) enter into transactions with affiliates; and (viii) effect a consolidation or merger. Each of the SCF Indentures also contains conditions and provides for customary events of default as well as early redemption options available to SCF during certain time periods and redemption options available to the SCF Senior Notes holders in certain events.

There are provisions under each of the SCF Indentures that limit or prohibit certain payments of dividends and other distributions by SCF and its restricted subsidiaries to companies or persons who are not SCF or its restricted subsidiaries, subject to certain exceptions and conditions. As of December 31, 2025, the net assets of SCF and its restricted subsidiaries of approximately \$584,000 were restricted from being distributed under the terms of the SCF Senior Notes.

SCC Senior Secured Notes

On February 16, 2022, SCC issued senior secured notes in an aggregate principal amount of \$350,000 of 7.000% Senior Notes due February 15, 2027 at an issue price of 100% of the principal amount (the “2027 SCC Senior Secured Notes”) pursuant to an indenture, dated February 16, 2022 (the “2027 SCC Indenture”) among SCC, the guarantors and the trustee. The net proceeds from the offering of the 2027 SCC Senior Secured Notes were used to fund the capital expenditures of the remaining development project at Studio City and for general corporate purposes.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

9. LONG-TERM DEBT, NET - continued

SCC Senior Secured Notes - continued

There are no interim principal payments on the 2027 SCC Senior Secured Notes and interest is payable semi-annually in arrears on each February 15 and August 15.

The 2027 SCC Senior Secured Notes are senior secured obligations of SCC, rank equally in right of payment to all existing and future senior indebtedness of SCC (although any liabilities in respect of obligations under the SCC Credit Facilities that are secured by common collateral securing the 2027 SCC Senior Secured Notes will have priority over the 2027 SCC Senior Secured Notes with respect to any proceeds received upon any enforcement action of such common collateral) and rank senior in right of payment to any existing and future subordinated indebtedness of SCC and are effectively subordinated to SCC's existing and future secured indebtedness that is secured by assets that do not secure the 2027 SCC Senior Secured Notes, to the extent of the assets securing such indebtedness.

Studio City Investments Limited ("SCI"), the shareholder of SCC, all of its existing subsidiaries (other than SCC) and any other future restricted subsidiaries that provide guarantees of certain specified indebtedness (including the SCC Credit Facilities) (the "2027 SCC Senior Secured Notes Guarantors") jointly, severally and unconditionally guarantee the 2027 SCC Senior Secured Notes on a senior basis (the "2027 SCC Senior Secured Notes Guarantees"). The 2027 SCC Senior Secured Notes Guarantees are senior obligations of the 2027 SCC Senior Secured Notes Guarantors, rank equally in right of payment to all existing and future senior indebtedness of the 2027 SCC Senior Secured Notes Guarantors and rank senior in right of payment to any existing and future subordinated indebtedness of the 2027 SCC Senior Secured Notes Guarantors. The 2027 SCC Senior Secured Notes Guarantees are pari passu to the 2027 SCC Senior Secured Notes Guarantors' obligations under the SCC Credit Facilities, and effectively subordinated to any future secured indebtedness that is secured by assets that do not secure the 2027 SCC Senior Secured Notes and the 2027 SCC Senior Secured Notes Guarantees, to the extent of the value of the assets.

The 2027 SCC Senior Secured Notes are secured, on an equal basis with the SCC Credit Facilities, by substantially all of the material assets of SCI and its subsidiaries (although obligations under the SCC Credit Facilities that are secured by the common collateral securing the 2027 SCC Senior Secured Notes will have priority over the 2027 SCC Senior Secured Notes with respect to any proceeds received upon any enforcement action of such common collateral); in addition, in line with the SCC Credit Facilities, the 2027 SCC Senior Secured Notes are also secured by certain specified bank accounts.

The 2027 SCC Indenture contains certain covenants, subject to certain exceptions and conditions, that limit the ability of SCC, SCI and their respective restricted subsidiaries to, among other things: (i) incur or guarantee additional indebtedness and issue certain preferred stock; (ii) make specified restricted payments and investments; (iii) prepay or redeem subordinated debt or equity; (iv) issue or sell capital stock; (v) transfer, lease or sell assets; (vi) create or incur certain liens; (vii) impair the security interests in the collateral; (viii) enter into agreements that restrict the restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans; (ix) change the nature of the business of the relevant group; (x) enter into transactions with affiliates; and (xi) effect a consolidation or merger. The 2027 SCC Indenture also contains conditions and provides for customary events of default as well as early redemption options available to SCC during certain time periods and redemption options available to the 2027 SCC Senior Secured Notes holders in certain events.

There are provisions under the 2027 SCC Indenture that limit or prohibit certain payments of dividends and other distributions by SCC, SCI and their respective restricted subsidiaries to companies or persons who are

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

9. LONG-TERM DEBT, NET - continued

SCC Senior Secured Notes - continued

not SCC, SCI and their respective restricted subsidiaries, subject to certain exceptions and conditions. As of December 31, 2025, the net assets of SCI and its restricted subsidiaries of approximately \$511,000 were restricted from being distributed under the terms of the 2027 SCC Senior Secured Notes.

SCC Credit Facilities

On March 15, 2021, SCC (the “SC Borrower”) amended the terms of its prior senior secured credit facilities agreement entered into with a syndicate of banks, including the extension of the maturity date of the Hong Kong dollars (“HK\$”) 234,000 (equivalent to \$30,077) senior secured credit facilities (the “SCC 2021 Credit Facilities”), comprising a HK\$1,000 (equivalent to \$129) term loan facility (the “SCC 2021 Term Loan”) and a HK\$233,000 (equivalent to \$29,948) revolving credit facility (the “SCC 2021 Revolving Facility”) to January 15, 2028. Changes have also been made to the covenants in order to align them with those of certain other financings at SCF, including amending the threshold sizes and measurement dates of the covenants. On November 29, 2024, SCC further amended the terms of the SCC 2021 Credit Facilities (the “SCC 2024 Amendment and Restatement”), including but not limited to the extension of the maturity date to August 29, 2029 and the change of interest margin. The SCC 2021 Term Loan shall be repaid on August 29, 2029 with no interim amortization payments. The SCC 2021 Revolving Facility is available up to the date that is one month prior to August 29, 2029.

Pursuant to the SCC 2024 Amendment and Restatement, borrowings under the SCC 2021 Credit Facilities denominated in US\$ bear interest at term Secured Overnight Financing Rate (“SOFR”) plus an applicable credit adjustment spread ranging from 0.06% to 0.20% per annum and a margin of 2.25% per annum; borrowings under the SCC 2021 Credit Facilities denominated in HK\$ bear interest at Hong Kong Interbank Offered Rate (“HIBOR”) plus a margin of 2.25% per annum. Prior to the effective of the SCC 2024 Amendment and Restatement, borrowings under the SCC 2021 Credit Facilities denominated in HK\$ bore interest at HIBOR plus a margin of 4% per annum. The SC Borrower may select an interest period for borrowings under the SCC 2021 Credit Facilities ranging from one to six months or any other agreed period. As of December 31, 2025 and 2024, the weighted average interest rate was approximately 5.23% and 6.83% per annum, respectively. The SC Borrower is obligated to pay a commitment fee on the undrawn amount of the SCC 2021 Revolving Facility and recognized loan commitment fees of \$123, \$403 and \$417 during the years ended December 31, 2025, 2024 and 2023, respectively.

As of December 31, 2025, the outstanding principal amount of the SCC 2021 Term Loan and the SCC 2021 Revolving Facility were HK\$1,000 (equivalent to \$129) and HK\$233,000 (equivalent to \$29,944), respectively, and the available unused borrowing capacity under the SCC 2021 Revolving Facility was nil.

On November 29, 2024, SCC entered into a senior secured revolving credit facility agreement with a syndicate of banks (the “SCC 2024 Revolving Facilities”) for HK\$1,945,000 (equivalent to \$250,273) with a term of five years and maturity date of November 29, 2029, with an option to increase the commitments in an amount not exceeding \$100,000, subject to satisfaction of conditions precedent. The SCC 2024 Revolving Facilities are available up to the date that is one month prior to the maturity date.

Borrowings under the SCC 2024 Revolving Facilities can be denominated in US\$ which bear interest at term SOFR or HK\$ which bear interest at HIBOR, in both case plus an applicable margin ranging from 1.95% to 2.55% per annum as adjusted in accordance with the leverage ratio. The SC Borrower may select an interest period for borrowings under the SCC 2024 Revolving Facilities ranging from one to six months or any other agreed period. As of December 31, 2025, the interest rate was approximately 5.33% per annum.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

9. LONG-TERM DEBT, NET - continued

SCC Credit Facilities - continued

The SC Borrower is obligated to pay a commitment fee on the undrawn amount of the SCC 2024 Revolving Facilities and recognized loan commitment fees of \$1,716 and \$189 during the years ended December 31, 2025 and 2024, respectively.

As of December 31, 2025, the outstanding principal amount of the SCC 2024 Revolving Facilities was HK\$389,000 (equivalent to \$49,992), and the available unused borrowing capacity under the SCC 2024 Revolving Facilities was HK\$1,556,000 (equivalent to \$199,969) of which \$119,935 is available to draw, subject to the satisfaction of certain conditions.

The SCC 2021 Credit Facilities and the SCC 2024 Revolving Facilities are collectively referred to as the “SCC Credit Facilities”.

The SCC 2021 Term Loan is collateralized by cash of HK\$1,013 (equivalent to \$130). The SC Borrower is subject to mandatory prepayment requirements in respect of various amounts of the SCC 2021 Revolving Facility and the SCC 2024 Revolving Facilities; in the event of the disposal of all or substantially all of the business and assets of the Studio City borrowing group which includes the SC Borrower and certain of its subsidiaries as defined under the SCC Credit Facilities (the “SC Borrowing Group”), the SCC Credit Facilities are required to be repaid in full. In the event of a change of control, the SC Borrower may be required, at the election of any lender under the SCC Credit Facilities, to repay such lender in full (other than the principal amount of the SCC 2021 Term Loan).

The indebtedness under the SCC Credit Facilities is guaranteed by SCI and its subsidiaries (other than the SC Borrower). Security for the SCC Credit Facilities includes a first-priority mortgage over any rights under the land concession contract of Studio City and an assignment of certain leases or right to use agreements; as well as other customary security. The SCC Credit Facilities contain certain affirmative and negative covenants customary for such financings, as well as affirmative, negative and financial covenants aligned with those of certain other financings at SCF. Certain specified bank accounts of MRM are pledged under SCC Credit Facilities and related finance documents. The SCC Credit Facilities are secured by substantially all of the material assets of SCI and its subsidiaries. Pursuant to the guarantee dated November 29, 2024 signed by SCIH, the indebtedness under the SCC 2024 Revolving Facilities is also guaranteed by SCIH.

The SCC Credit Facilities contain certain covenants that, subject to certain exceptions and conditions, limit the ability of SCC, SCI and their respective restricted subsidiaries to, among other things: (i) incur or guarantee additional indebtedness and issue certain preferred stock; (ii) make specified restricted payments and investments; (iii) prepay or redeem subordinated debt or equity; (iv) issue or sell capital stock; (v) transfer, lease or sell assets; (vi) create or incur certain liens; (vii) impair the security interests in the collateral; (viii) enter into agreements that restrict the restricted subsidiaries’ ability to pay dividends, transfer assets or make intercompany loans; (ix) change the nature of the business of the relevant group; (x) enter into transactions with affiliates; and (xi) effect a consolidation or merger. The SCC Credit Facilities also contain conditions and events of default customary for such financings.

In addition, modification, expiry, or termination of the gaming concession of MRM in circumstances that have a material adverse effect on the SC Borrowing Group (as a whole) will allow lenders to elect for the mandatory prepayment of all outstanding loan amounts.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

9. LONG-TERM DEBT, NET - continued

SCC Credit Facilities - continued

There are provisions that limit certain payments of dividends and other distributions by the SC Borrowing Group to companies or persons who are not members of the SC Borrowing Group. As of December 31, 2025, the net assets of SCI and its restricted subsidiaries of approximately \$511,000 were restricted from being distributed under the terms of the SCC Credit Facilities.

Scheduled Maturities of Long-term Debt

Scheduled maturities of the long-term debt (excluding unamortized deferred financing costs and original issue premiums) as of December 31, 2025 are as follows:

Year ending December 31,	
2026	\$ —
2027	350,000
2028	500,000
2029	1,180,065
2030	—
Over 2030	—
	<u>\$ 2,030,065</u>

10. LEASES

Lessee Arrangements

The Company is the lessee under operating and finance leases for equipment and real estate, including the land in Macau on which Studio City is located. Certain leases include options to extend the lease term and options to terminate the lease term. The land concession contract of Studio City has a term of 25 years, which is renewable for further consecutive periods of 10 years, subject to applicable legislation in Macau. The estimated term related to the land concession contract of Studio City is 40 years.

The components of lease costs are as follows:

	Year Ended December 31,		
	2025	2024	2023
Operating lease costs:			
Amortization of land use right	\$ 3,316	\$3,314	\$ 3,302
Operating lease costs	1,077	1,076	1,072
Finance lease costs:			
Amortization of right-of-use assets	125	65	—
Total lease costs	<u>\$ 4,518</u>	<u>\$4,455</u>	<u>\$ 4,374</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

10. LEASES - continued

Lessee Arrangements - continued

Other information related to lease terms and discount rates of operating leases is as follows:

	December 31,	
	2025	2024
Weighted average remaining lease term	29.8 years	30.8 years
Weighted average discount rate	7.81%	7.39%

Maturities of operating lease liabilities as of December 31, 2025 are as follows:

Year ending December 31,	
2026	\$ 2,038
2027	1,133
2028	1,133
2029	1,131
2030	1,131
Over 2030	28,071
Total future minimum lease payments	34,637
Less: amount representing interest	(20,540)
Present value of future minimum lease payments	14,097
Current portion	(2,002)
Non-current portion	<u>\$ 12,095</u>

Lessor Arrangements

The Company is the lessor under non-cancellable operating leases mainly for mall spaces in Studio City with various retailers that expire at various dates through June 2037. Certain of the operating leases include minimum base fees with contingent fee clauses based on percentages of turnover.

During the year ended December 31, 2025, the Company arranged a sales-type lease for the Equipment (as defined in Note 17) under the Studio City Operating Agreement as disclosed in Note 17. As of December 31, 2025, the current and non-current portion of the investment in a sales-type lease of \$223 and \$1,509, respectively, are included in prepaid expenses and other current assets and long-term prepayments, deposits and other assets in the accompanying consolidated balance sheets, respectively.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

10. LEASES - continued

Lessor Arrangements - continued

The components of lease income are as follows:

	Year Ended December 31,		
	2025	2024	2023
Operating lease income:			
Minimum	\$ 7,415	\$ 6,665	\$ 4,393
Contingent	5,616	5,767	3,111
Sales-type lease income	70	—	—
Total lease income	\$ 13,101	\$ 12,432	\$ 7,504

Future minimum fees, excluding the contingent fees to be received, under non-cancellable leases as of December 31, 2025 were as follows:

Year ending December 31,	Operating	Sales- Type
	2026	\$ 7,574
2027	6,324	481
2028	4,708	549
2029	1,849	497
2030	1,352	136
Over 2030	3,401	545
Total	\$ 25,208	2,689
Difference between undiscounted cash flow and present value		(957)
Investment in a sales-type lease		<u>\$1,732</u>

11. FAIR VALUE MEASUREMENTS

Authoritative literature provides a fair value hierarchy, which prioritizes the input to valuation techniques used to measure fair values into three broad levels. The level in the hierarchy within which the fair value measurements in its entirety is based upon the lowest level of input that is significant to the fair value measurement as follows:

- Level 1 – inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.
- Level 2 – inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – inputs are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models and similar techniques.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued**
(In thousands, except share and per share data)**11. FAIR VALUE MEASUREMENTS - continued**

The carrying values of cash equivalents, long-term deposits and other long-term liabilities approximated fair values and were classified as level 2 in the fair value hierarchy.

The estimated fair values of long-term debt as of December 31, 2025 and 2024, were approximately \$1,985,677 and \$2,052,327, respectively, as compared to their carrying values, excluding unamortized deferred financing costs and original issue premiums, of \$2,030,065 and \$2,171,751, respectively. Fair values for the senior notes were estimated based on recent trades, if available, and indicative pricing from market information and were classified as level 2 in the fair value hierarchy. Fair values for the credit facilities approximated their carrying values as the instruments carried variable interest rates that approximated the market rates and were classified as level 2 in the fair value hierarchy.

As of December 31, 2025 and 2024, the Company did not have any non-financial assets or liabilities that were recognized or disclosed at fair value in the accompanying consolidated financial statements.

12. CAPITAL STRUCTURE

As of December 31, 2025 and 2024, SCIH's authorized share capital was 1,927,488,240 Class A ordinary shares and 72,511,760 Class B ordinary shares of a par value of \$0.0001 each. As of December 31, 2025 and 2024, 770,352,700 Class A ordinary shares and 72,511,760 Class B ordinary shares were issued and outstanding in each of those years.

13. INCOME TAXES

Loss before income tax consisted of:

	Year Ended December 31,		
	2025	2024	2023
Macau operations	\$ 72,886	\$ 42,813	\$ (25,450)
Hong Kong and other jurisdictions operations	(129,577)	(141,292)	(120,715)
Loss before income tax	<u>\$ (56,691)</u>	<u>\$ (98,479)</u>	<u>\$ (146,165)</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

13. INCOME TAXES - continued

The income tax expense (benefit) consisted of:

	Year Ended December 31,		
	2025	2024	2023
Income tax expense - current:			
Macau Complementary Tax	\$ 7,665	\$ 7,534	\$ —
Hong Kong Profits Tax	—	5	7
Sub-total	<u>7,665</u>	<u>7,539</u>	<u>7</u>
(Over) under provision of income taxes in prior years:			
Macau Complementary Tax	(40)	50	—
Hong Kong Profits Tax	(2)	(1)	(15)
Sub-total	<u>(42)</u>	<u>49</u>	<u>(15)</u>
Income tax benefit - deferred:			
Macau Complementary Tax	(17)	(236)	(73)
Total income tax expense (benefit)	<u>\$ 7,606</u>	<u>\$ 7,352</u>	<u>\$ (81)</u>

A reconciliation of the Macau Complementary Tax rate and the Company's effective tax rate for the year ended December 31, 2025 under the new accounting standard is as follows:

	Year Ended December 31, 2025	
	Amount	Percent
Macau Complementary Tax rate	\$ (6,803)	12.0%
Other jurisdiction tax effects		
Hong Kong		
Tax rate differential	(77)	0.1%
Changes in valuation allowances	1,543	(2.7)%
Interest income	(16,626)	29.3%
Interest expense	15,507	(27.3)%
Other	(114)	0.2%
Changes in valuation allowances	12,798	(22.6)%
Nontaxable or nondeductible items		
Depreciation and amortization	1,670	(2.9)%
Other	(253)	0.4%
Other adjustments	(39)	0.1%
Effective tax rate	<u>\$ 7,606</u>	<u>(13.4)%</u>

Note: Intercompany transactions which are considered as nondeductible expense in one jurisdiction and nontaxable income in another jurisdiction were eliminated in the tax rate reconciliation.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

13. INCOME TAXES - continued

A reconciliation of the income tax expense (benefit) from loss before income tax per the accompanying consolidated statements of operations for the years ended December 31, 2024 and 2023 is as follows:

	Year Ended December 31,	
	2024	2023
Loss before income tax	\$ (98,479)	\$ (146,165)
Macau Complementary Tax rate	12%	12%
Income tax benefit at Macau Complementary Tax rate	(11,817)	(17,540)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(6,352)	(5,432)
Under (over) provision in prior years	49	(15)
Effect of income for which no income tax expense is payable	(1,378)	(2,191)
Effect of expenses for which no income tax benefit is receivable	10,727	6,338
Effect of profits exempted from Macau Complementary Tax	—	(61)
Changes in valuation allowances	4,557	1,515
Expired tax losses	11,566	17,305
Income tax expense (benefit)	<u>\$ 7,352</u>	<u>\$ (81)</u>

SCIH and certain of its subsidiaries are exempt from tax in the Cayman Islands or British Virgin Islands (“BVI”), where they are incorporated, while certain of these subsidiaries incorporated in BVI are subject to Hong Kong Profits Tax on income derived from Hong Kong during the years ended December 31, 2025, 2024 and 2023. The remaining subsidiaries of SCIH incorporated in Macau and Hong Kong are subject to Macau Complementary Tax and Hong Kong Profits Tax, respectively, during the years ended December 31, 2025, 2024 and 2023.

Macau Complementary Tax and Hong Kong Profits Tax have been provided at 12% and 16.5% on the estimated taxable income earned in or derived from Macau and Hong Kong, respectively, during the years ended December 31, 2025, 2024 and 2023, if applicable.

SCE applied for an extension of the Macau Complementary Tax exemption on profits generated from income from MRM for 2022 under the previous gaming subconcession and for the period of 10 years from 2023 to 2032 under the Concession to the extent that such income is derived from Studio City gaming operations and has been subject to gaming tax. These applications are subject to the discretionary approval of the Macau government. The application for the Macau Complementary Tax exemption for 2023 to 2032 was confirmed to be rejected in September 2024. The dividend distributions of SCE from income tax exempted profits to its shareholders continue to be subject to the Macau Complementary Tax.

Certain jurisdictions in which the Ultimate Parent operates have enacted Global Anti-Base Erosion Model Rules (“Pillar Two”) that became effective on January 1, 2024. The Company and its Ultimate Parent are in scope of the enacted legislation and have performed an assessment of the Company’s potential exposure to Pillar Two income taxes, which is based on the most recent tax filings, country-by-country reporting and financial information for the constituent entities of the Ultimate Parent. Based on management’s best estimate, the Company does not have exposure to Pillar Two top-up taxes for the years ended December 31, 2025 and 2024.

The reconciliation of the Macau Complementary Tax rate and the Company’s effective tax rate of (13.4)% for the year ended December 31, 2025 was disclosed in the table above under the new accounting standard. The effective tax rates for the years ended December 31, 2024 and 2023 were (7.5)% and 0.1%, respectively, such rates differ from the statutory Macau Complementary Tax rate of 12%, where the

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

13. INCOME TAXES - continued

majority of the Company's operations are located, primarily due to the effects of expired tax losses, expenses for which no income tax benefit is receivable, different tax rates of subsidiaries operating in other jurisdictions, income for which no income tax expense is payable and changes in valuation allowances for the relevant years.

No income tax was paid for the year ended December 31, 2025.

The net deferred tax liabilities as of December 31, 2025 and 2024 consisted of the following:

	December 31,	
	2025	2024
Deferred tax assets:		
Net operating losses carried forward	\$ 44,944	\$ 46,650
Depreciation and amortization	125,014	125,897
Lease liabilities	1,692	1,654
Other	4	79
Sub-total	171,654	174,280
Valuation allowances	(170,143)	(172,688)
Total deferred tax assets	1,511	1,592
Deferred tax liabilities:		
Right-of-use assets	(1,389)	(1,397)
Unrealized capital allowances	(108)	—
Other	(74)	(272)
Total deferred tax liabilities	(1,571)	(1,669)
Deferred tax liabilities, net	<u>\$ (60)</u>	<u>\$ (77)</u>

As of December 31, 2025 and 2024, valuation allowances of \$170,143 and \$172,688 were provided, respectively, as management believes it is more likely than not that these deferred tax assets will not be realized. As of December 31, 2025, adjusted operating tax losses carried forward of \$9,739 have no expiry date and the remaining amount of \$133,499, \$126,401 and \$101,245 will expire in 2026, 2027 and 2028, respectively. Adjusted operating tax losses carried forward of \$137,057 expired during the year ended December 31, 2025.

Deferred tax, where applicable, is provided under the asset and liability method at the enacted statutory income tax rate of the respective tax jurisdictions, applicable to the respective financial years, on the difference between the consolidated financial statements carrying amounts and income tax base of assets and liabilities.

Undistributed earnings of a foreign subsidiary of SCIH available for distribution to SCIH of approximately \$745,397 and \$745,397 as of December 31, 2025 and 2024, respectively, are considered to be indefinitely reinvested. Accordingly, no provision has been made for the dividend withholding taxes that would be payable upon the distribution of those amounts to SCIH. If those earnings were to be distributed or they were determined to be no longer permanently reinvested, SCIH would have to record a deferred income tax liability in respect of those undistributed earnings of approximately \$89,448 and \$89,448 as of December 31, 2025 and 2024, respectively.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued**
(In thousands, except share and per share data)**13. INCOME TAXES - continued**

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is presented as follows:

	Year Ended December 31,		
	2025	2024	2023
At beginning of year	\$ 7,612	\$ —	\$ —
Additions based on tax positions related to current year	4,632	7,562	—
Additions based on tax positions related to prior year	—	50	—
At end of year	<u>\$ 12,244</u>	<u>\$ 7,612</u>	<u>\$ —</u>

The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate were \$12,244 and \$7,612 as of December 31, 2025 and 2024, respectively.

As of December 31, 2025 and 2024, there were no interest and penalties related to uncertain tax positions recognized in the accompanying consolidated financial statements.

Income tax returns of SCIH's subsidiaries remain open and subject to examination by the tax authorities of Macau and Hong Kong until the statute of limitations expire in each corresponding jurisdiction. The statute of limitations in Macau and Hong Kong are five years and six years, respectively.

14. EMPLOYEE BENEFIT PLANS

Eligible employees of the Company are allowed to participate in defined contribution fund schemes operated by the Company (the "Defined Contribution Fund Schemes") in Macau. The Company either contributes a fixed percentage of the eligible employees' relevant income, a fixed amount or an amount which matches the contributions of the employees up to a certain percentage of relevant income to the Defined Contribution Fund Schemes. The Company's contributions to the Defined Contribution Fund Schemes are vested with employees in accordance to vesting schedules, achieving full vesting of 10 years from the date of employment. The Defined Contribution Fund Schemes were established under trusts with the fund assets being held separately from those of the Company by independent trustees.

Employees employed by the Company in Macau are members of a government-managed social security fund scheme (the "Social Security Fund Scheme"), which is operated by the Macau government. The Company is required to pay monthly fixed contributions and meet the minimum mandatory requirement of the Social Security Fund Scheme to fund the benefits.

During the years ended December 31, 2025, 2024 and 2023, the Company's contributions into these plans were \$54, \$62 and \$40, respectively.

15. DISTRIBUTION OF PROFITS

Subsidiaries of SCIH incorporated in Macau are required to set aside a minimum of 25% of the entity's profit after tax to the legal reserve until the balance of the legal reserve reaches a level equivalent to 50% of the entity's share capital in accordance with the provisions of the Macau Commercial Code. The legal reserve is not available for distribution to the shareholders of the subsidiaries. The appropriation of the legal reserve is recorded in the subsidiaries' financial statements in the year in which it is approved by the shareholders of the relevant subsidiaries. As of December 31, 2025 and 2024, the balance of the legal reserve amounted to \$6 and \$6, respectively.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

15. DISTRIBUTION OF PROFITS - continued

The Company's borrowings, subject to certain exceptions and conditions, contain certain restrictions on paying dividends and other distributions, as defined in the respective indentures governing the relevant senior notes and credit facility agreements, and disclosed in Note 9 under each of the respective borrowings.

During the years ended December 31, 2025, 2024 and 2023, SCIH did not declare or pay any cash dividends on the ordinary shares. No dividends have been proposed since the end of the reporting period.

16. COMMITMENTS AND CONTINGENCIES

(a) Capital Commitments

As of December 31, 2025, the Company had capital commitments for the construction and acquisition of property and equipment totaling \$4,096.

(b) Guarantee

In addition to as disclosed in Note 9, the Company has made the following significant guarantee as of December 31, 2025:

Trade Credit Facilities

Effective on August 31, 2025, one of the SCIH's subsidiaries amended the terms of its prior trade credit facility agreements entered into with a bank to meet certain payment obligations of the Studio City project, including a reduction of total facility amount to HK\$25,000 (equivalent to \$3,213) and an extension of the maturity date for two years to August 31, 2027 ("Trade Credit Facilities"). The Trade Credit Facilities are guaranteed by SCC and are supported by a promissory note ("Livrança") of HK\$25,000 (equivalent to \$3,213) issued by such SCIH's subsidiary. As of December 31, 2025, approximately \$643 of the Trade Credit Facilities had been utilized.

(c) Litigation

As of December 31, 2025, the Company was a party to certain legal proceedings which relate to matters arising out of the ordinary course of its business. Management believes that the outcomes of such proceedings have been adequately provided for or have no material impacts on the Company's consolidated financial statements as a whole.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

17. RELATED PARTY TRANSACTIONS

During the years ended December 31, 2025, 2024 and 2023, the Company entered into the following significant related party transactions:

Related companies	Nature of transactions	Year Ended December 31,		
		2025	2024	2023
<i>Transactions with affiliated companies</i>				
Melco Resorts and its subsidiaries	Revenues (services provided by the Company):			
	Revenue from casino contract	\$ 305,946	\$ 259,842	\$ 155,527
	Rooms and food and beverage ⁽¹⁾	152,052	154,233	111,438
	Services fee ⁽²⁾	68,265	59,529	40,473
	Entertainment ⁽¹⁾	13,860	25,703	39,715
	Costs and expenses (services provided to the Company):			
	Staff costs recharges ⁽³⁾	129,737	116,491	89,713
	Corporate services ⁽⁴⁾	44,948	41,460	34,640
	Other services	23,062	21,839	20,936
	Staff costs for construction and renovation work capitalized	3,538	4,618	4,674
	Purchases of goods and services	282	315	567
	Sale and purchase of assets:			
	Sale of property and equipment	7,548	9,509	914
	Transfer-in of other long-term assets	30,728	31,193	5,527
	Purchase of property and equipment	—	204	8
Irad Imaging and Diagnostic Medical Center Ltd. (“iRad”) ⁽⁵⁾	Revenues (services provided by the Company):			
	Mall and sales-type lease income	358	—	—

- (1) These revenues primarily represented the rooms, food and beverage and entertainment services provided to Studio City Casino’s gaming patrons and charged to MRM and to other of Melco Resorts’ subsidiaries.
- (2) Services provided by the Company to Melco Resorts and its subsidiaries mainly include, but are not limited to, certain shared administrative services and shuttle bus transportation services provided to Studio City Casino.
- (3) Staff costs are recharged by Melco Resorts and its subsidiaries for staff who are solely dedicated to Studio City to carry out activities, including food and beverage management, retail management, hotel management, entertainment projects, mall development and sales and marketing activities and staff costs for certain shared administrative services.
- (4) Corporate services are provided to the Company by Melco Resorts and its subsidiaries. These services include, but are not limited to, general corporate services and senior executive management services for operational purposes.
- (5) The Company entered into an operating agreement (the “Studio City Operating Agreement”) with iRad, an affiliated company of Mr. Lawrence Yau Lung Ho (“Mr. Ho”), a director of SCIH, to grant iRad the right to operate a private hospital focused on imaging and diagnostic medical services at Studio City and to utilize certain medical equipment for the operation of iRad at Studio City (the “Equipment”), for an initial period commencing from October 1, 2025 and ending on November 30, 2034, with an option to renew for two further periods of five years each by mutual agreement. As of December 31, 2025, a security deposit of MOP15,652 (equivalent to \$1,953) received from iRad pursuant to the Studio City Operating Agreement, of which MOP3,679 (equivalent to \$459) was included in accrued expenses and other current liabilities and MOP11,973 (equivalent to \$1,494) was included in other long-term liabilities in the accompanying consolidated balance sheets.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued**
(In thousands, except share and per share data)**17. RELATED PARTY TRANSACTIONS - continued****Other Related Party Transactions**

During the year ended December 31, 2024, an aggregate principal amount of \$30,000 of the 2025 SCF Senior Notes held by Mr. Ho was purchased by SCF for a consideration of \$30,000. As of December 31, 2025 and 2024, Mr. Ho's controlled entity held an aggregate principal amount of \$30,000 of SCF Senior Notes in each of those years. As of December 31, 2025 and 2024, an independent director of SCIH held an aggregate principal amount of \$600 of SCC Senior Secured Notes in each of those years.

During the years ended December 31, 2025, 2024 and 2023, total interest expense of \$1,500, \$2,508 and \$3,300 in relation to the SCF Senior Notes, were paid or payable to Mr. Ho and his controlled entity, respectively. During the years ended December 31, 2025, 2024 and 2023, total interest expense of \$44, \$44 and \$30 in relation to the SCC Senior Secured Notes, was paid or payable to the independent director of SCIH, respectively.

(a) Receivables from Affiliated Companies

The outstanding balances mainly arising from operating income or prepayment of operating expenses as of December 31, 2025 and 2024 are unsecured, non-interest bearing and repayable on demand with details as follows:

	December 31,	
	2025	2024
Melco Resorts' subsidiaries	\$ 285	\$ 309
iRad	450	—
	<u>\$ 735</u>	<u>\$ 309</u>

(b) Payables to Affiliated Companies

The outstanding balances as of December 31, 2025 and 2024 are payables to Melco International and its subsidiaries mainly arising from operating expenses, and are unsecured, non-interest bearing and repayable on demand.

18. SEGMENT INFORMATION

The Company's principal operating activities are engaged in the hospitality business and provision of services pursuant to a casino contract in Macau. The Company monitors its operations and evaluates its earnings by reviewing the assets and operations of Studio City as one operating segment. As of December 31, 2025 and 2024, the Company operated in one geographical area, Macau, where it derives its revenues and its long-lived assets are located.

The Company's capital expenditures amounted to \$46,184, \$64,704 and \$68,924 for the years ended December 31, 2025, 2024 and 2023, respectively.

SCIH's Property General Manager is the Chief Operating Decision Maker ("CODM") of the Company. The CODM reviews and evaluates consolidated net income as the measure of segment profit or loss and to compare the operating performance of Studio City with those of its competitors as a way to assess performance. The CODM reviews total assets, as reported on the consolidated balance sheets. The CODM also utilizes consolidated expense information in order to assess financial performance. Employee expenses

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

18. SEGMENT INFORMATION - continued

mostly consists of allocated labor costs for non-gaming operations from Melco Resorts' subsidiaries. Depreciation and amortization expenses and interest expense, net of amount capitalized include those recorded with the consolidated statements of operations.

The following table presents the results of operations for Studio City and reconciliation to net loss attributable to Studio City International Holdings Limited for the years ended December 31, 2025, 2024 and 2023.

	Year Ended December 31,		
	2025	2024	2023
Operating revenues:			
Revenue from casino contract	\$ 305,946	\$ 259,842	\$ 155,527
Rooms	168,011	160,721	111,733
Food and beverage	90,118	89,660	62,426
Entertainment	39,115	47,533	61,777
Services fee	68,265	59,529	40,473
Mall	19,202	18,289	10,744
Retail and other	3,909	3,571	2,858
Total operating revenues	694,566	639,145	445,538
Employee benefits expenses ⁽¹⁾	(155,191)	(146,096)	(103,585)
Depreciation and amortization	(212,016)	(205,060)	(169,397)
Interest expense, net of amounts capitalized	(126,266)	(133,594)	(129,567)
Other segment items ⁽²⁾	(265,390)	(260,226)	(189,073)
Net loss	(64,297)	(105,831)	(146,084)
Net loss attributable to participation interest	5,532	9,105	12,567
Net loss attributable to Studio City International Holdings Limited	<u>\$ (58,765)</u>	<u>\$ (96,726)</u>	<u>\$ (133,517)</u>

- (1) "Employee benefits expenses" includes salaries, bonuses and incentives, benefits and allocated labor costs for non-gaming operations from Melco Resorts' subsidiaries. Certain amounts of "Employee benefits expenses" are included in "Other segments items" as pre-opening costs and property charges and other; and with certain amounts incurred during the construction and development stage of Studio City capitalized in property and equipment.
- (2) "Other segment items" mainly include cost of inventories, advertising and promotions expenses, repair and maintenance expenses, utilities and fuel expenses, corporate and other non-gaming services recharged from Melco Resorts' subsidiaries, pre-opening costs, property charges and other, interest income, other financing costs, net foreign exchange gains (losses), (loss) gain on extinguishment of debt and income tax (expense) benefit.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED
ADDITIONAL INFORMATION - FINANCIAL STATEMENT SCHEDULE 1
FINANCIAL INFORMATION OF PARENT COMPANY
CONDENSED BALANCE SHEETS
(In thousands, except share and per share data)

	December 31,	
	2025	2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 27	\$ 28
Receivables from a subsidiary	10,680	8,536
Prepaid expenses and other current assets	24	23
Total current assets	<u>10,731</u>	<u>8,587</u>
Investments in subsidiaries	525,790	592,643
Total assets	<u>\$ 536,521</u>	<u>\$ 601,230</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accrued expenses and other current liabilities	\$ 429	\$ 304
Payables to affiliated companies	287	338
Payables to subsidiaries	11,918	9,853
Total current liabilities	<u>12,634</u>	<u>10,495</u>
Total liabilities	<u>12,634</u>	<u>10,495</u>
Shareholders' equity:		
Class A ordinary shares, par value \$0.0001; 1,927,488,240 shares authorized; 770,352,700 shares issued and outstanding	77	77
Class B ordinary shares, par value \$0.0001; 72,511,760 shares authorized; 72,511,760 shares issued and outstanding	7	7
Additional paid-in capital	2,477,359	2,477,359
Accumulated other comprehensive income	618	8,701
Accumulated losses	(1,954,174)	(1,895,409)
Total shareholders' equity	<u>523,887</u>	<u>590,735</u>
Total liabilities and shareholders' equity	<u>\$ 536,521</u>	<u>\$ 601,230</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

ADDITIONAL INFORMATION - FINANCIAL STATEMENT SCHEDULE 1
FINANCIAL INFORMATION OF PARENT COMPANY
CONDENSED STATEMENTS OF OPERATIONS
(In thousands)

	Year Ended December 31,		
	2025	2024	2023
Operating revenues	\$ —	\$ —	\$ —
Operating costs and expenses	(124)	(119)	—
Operating loss	(124)	(119)	—
Non-operating income (expenses):			
Foreign exchange gains (losses), net	4	3	(2)
Other income, net	125	116	—
Share of results of subsidiaries	(58,770)	(96,726)	(133,515)
Total non-operating expenses, net	(58,641)	(96,607)	(133,517)
Loss before income tax	(58,765)	(96,726)	(133,517)
Income tax expense	—	—	—
Net loss	\$ (58,765)	\$ (96,726)	\$ (133,517)

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED
ADDITIONAL INFORMATION - FINANCIAL STATEMENT SCHEDULE 1
FINANCIAL INFORMATION OF PARENT COMPANY
CONDENSED STATEMENTS OF COMPREHENSIVE LOSS
(In thousands)

	Year Ended December 31,		
	2025	2024	2023
Net loss	\$ (58,765)	\$ (96,726)	\$ (133,517)
Other comprehensive (loss) income:			
Foreign currency translation adjustments	(8,083)	21,357	(985)
Other comprehensive (loss) income	(8,083)	21,357	(985)
Total comprehensive loss	<u>\$ (66,848)</u>	<u>\$ (75,369)</u>	<u>\$ (134,502)</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**ADDITIONAL INFORMATION - FINANCIAL STATEMENT SCHEDULE 1
FINANCIAL INFORMATION OF PARENT COMPANY
CONDENSED STATEMENTS OF CASH FLOWS
(In thousands)**

	Year Ended December 31,		
	2025	2024	2023
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	\$ (1)	\$ —	\$ 1
Cash flow from an investing activity:			
Cash used in an investing activity	—	—	—
Cash flow from a financing activity:			
Cash provided by a financing activity	—	—	—
(Decrease) increase in cash and cash equivalents	(1)	—	1
Cash and cash equivalents at beginning of year	28	28	27
Cash and cash equivalents at end of year	<u>\$ 27</u>	<u>\$ 28</u>	<u>\$ 28</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

**ADDITIONAL INFORMATION - FINANCIAL STATEMENT SCHEDULE 1
FINANCIAL INFORMATION OF PARENT COMPANY
NOTES TO FINANCIAL STATEMENT SCHEDULE 1**

(In thousands)

1. Schedule 1 has been provided pursuant to the requirements of Rule 12-04(a) and 4-08(e)(3) of Regulation S-X, which require condensed financial information as to financial position, cash flows and results and operations of a parent company as of the same dates and for the same periods for which audited consolidated financial statements have been presented when the restricted net assets of the consolidated and unconsolidated subsidiaries together exceed 25 percent of consolidated net assets as of the end of the most recently completed fiscal year. As of December 31, 2025, approximately \$584,000 of the restricted net assets were not available for distribution and as such, the condensed financial information of SCIH has been presented for the years ended December 31, 2025, 2024 and 2023. SCIH did not receive any cash dividend from its subsidiary during the years ended December 31, 2025, 2024 and 2023.

2. Basis of Presentation

The accompanying condensed financial information has been prepared using the same accounting policies as set out in SCIH's consolidated financial statements except that the parent company has used the equity method to account for its investments in subsidiaries.

Studio City International Holdings Limited
List of Significant Subsidiaries
As of December 31, 2025

1. MSC Cotai Limited, incorporated in the British Virgin Islands
2. SCP Holdings Limited, incorporated in the British Virgin Islands
3. SCP One Limited, incorporated in the British Virgin Islands
4. SCP Two Limited, incorporated in the British Virgin Islands
5. Studio City Company Limited, incorporated in the British Virgin Islands
6. Studio City Developments Limited, incorporated in the Macau Special Administrative Region of the People's Republic of China
7. Studio City Entertainment Limited, incorporated in the Macau Special Administrative Region of the People's Republic of China
8. Studio City Finance Limited, incorporated in the British Virgin Islands
9. Studio City Holdings Limited, incorporated in the British Virgin Islands
10. Studio City Holdings Three Limited, incorporated in the British Virgin Islands
11. Studio City Holdings Two Limited, incorporated in the British Virgin Islands
12. Studio City Investments Limited, incorporated in the British Virgin Islands

新濠影滙

STUDIO CITY

POLICY FOR THE PREVENTION OF INSIDER TRADING

I. Purpose

It is the Company's policy to comply with all applicable securities laws in Company transactions related to Company Securities.

All directors, officers and employees (and their respective Family Members) of Studio City International Holdings Limited ("SCIH") and its subsidiaries (which, unless the context otherwise requires, are collectively referred to as the "**Company**") are subject to the rules set forth in this Policy as applicable to them. This Policy also applies to any entities controlled by directors, officers and employees (and their respective Family Members) of the Company, including any corporations, partnerships or trusts ("**Controlled Entities**"), and transactions by these Controlled Entities should be treated for the purposes of this Policy as if they were for the individual's own account. For purposes of this Policy, "**Family Members**" include (i) the spouse, siblings, parents, grandparents, children, grandchildren (whether by blood or marriage-in-law), and (ii) any other members of the family who reside in the individual's household or whose transactions in Company Securities are directed by the individual or are subject to such individual's influence or control. The attached Schedule 1 provides further guidance on which entities may be "**Controlled Entities**" for the purpose of this Policy. This Policy extends to all activities within and outside an individual's Company duties. The Company may also determine that other persons should be subject to this Policy, such as contractors or consultants who have access to material non-public or inside information.

To the extent that a subsidiary of SCIH is separately listed on a stock exchange (a "**Listed Sub**") and has a policy for the prevention of insider trading in effect as approved by its board of directors and endorsed by the Nominating and Corporate Governance Committee (the "**NCGC**") of SCIH's Board of Directors (the "**Board**"), the Relevant Persons of the Listed Sub and its subsidiaries (who are not otherwise directors, officers and employees (or members of their respective households) of the Company) should be subject to the Listed Sub's policy for the prevention of insider trading in lieu of this Policy, unless otherwise required by SCIH, the Listed Sub or applicable law. We refer to all persons covered by this Policy as "**Relevant Persons**" and each reference to any director, officer or employee (and their respective Family Members) of the Company includes their respective Controlled Entities. Every Relevant Person must review this Policy. Any trading by a Relevant Person in any securities of the Company, including securities of a Listed Sub ("**Company Securities**"), whether effected in the United States or elsewhere, is subject to the rules set forth in this Policy (except for Sections III.C and Part 2 of Schedule 2, which shall only apply to the people described therein).

As used in this Policy, the term “trade” includes giving or receiving any gift of Company Securities. This Policy also applies to transactions in Company Securities and derivative securities whose value is derived from the value of Company Securities, such as exchange-traded put or call options or swaps relating to Company Securities¹.

Questions regarding this Policy should be directed to the Company’s Legal team in Hong Kong, which assists the Company on matters covered by this Policy. If the Company Secretary (the “CS”) is unavailable to carry out his or her duties under this Policy, another member of the Legal team designated by the CS may take action in the CS’s place. All references to “you” shall be references to the Relevant Persons to whom this Policy applies.

II. Summary

Preventing insider trading is necessary to comply with securities laws and to preserve the reputation and integrity of the Company, as well as that of all persons affiliated with it. “Insider trading” occurs when any Relevant Person purchases or sells a security while in possession of “inside information” relating to the security in breach of a duty of trust or confidence. As explained in Section V below, “inside information” is information that is considered to be both “material” and “non-public”. Insider trading is a crime under the laws of United States, and the penalties for violating the law include imprisonment, repayment of profits, civil fines of up to three times the profit gained or loss avoided, and criminal fines of up to US\$5,000,000 for individuals and US\$25,000,000 for entities.

Insider trading is also prohibited by this Policy and could result in serious sanctions, including dismissal from employment.

In addition to your obligation to refrain from trading while in possession of material non-public information, you are also prohibited from “tipping” others. The concept of unlawful tipping includes passing inside information on to another person, friend or Family Member under circumstances that suggest that you were trying to help them make a profit or avoid a loss. When tipping occurs, both the “tipper” and the “tippee” may be held liable, and this liability may extend to all those to whom the tippee turns around and gives the information. Besides being considered a form of insider trading, tipping is a serious breach of corporate confidentiality, and for this reason, you should avoid discussing sensitive information in any place where such information may be heard by others who should not hear such information.

SCIH is a subsidiary of Melco Resorts & Entertainment Limited (“**Melco**”) and an indirect subsidiary of Melco International Development Limited (“**Melco International**”). The trading of the listed securities of Melco and Melco International by a Relevant Person is subject to restrictions. For details, please see Sections VII and VIII.

¹ The U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 expanded the definition of “security” under both the U.S. Securities Act and the U.S. Securities Exchange Act to include “security-based swaps.” Accordingly, the purchase and sale, i.e., the entry into, of total return swaps are subject to the antifraud rules of the U.S Securities and Exchange Commission, including Rule 10b-5 and, by extension, insider trading laws developed based on Rule 10b-5.

It should be noted that this Policy only addresses compliance with United States laws and the rules of the New York Stock Exchange (“NYSE”). Many other laws, including the laws of Singapore where subsidiaries of SCIH have securities listed on the Singapore Exchange Limited, the laws of Cayman Islands and Macau, may also be implicated by trading in Company Securities. Furthermore, it should be noted that Melco, the majority shareholder of SCIH, is a company listed on the Nasdaq Stock Market and Melco International, the majority shareholder of Melco, is a company listed on the Hong Kong Stock Exchange. Each of these jurisdictions also has laws which limit a Relevant Person’s ability to trade in the securities of such entities while in possession of price sensitive information regarding them, which might include information about the business or financial condition of the Company. Insider trading is a crime under the laws of the United States and Hong Kong². All Relevant Persons are advised to familiarize themselves with and abide by the relevant laws governing dealings in the securities of Melco and Melco International in the jurisdictions where they are listed.

III. Policies Prohibiting Insider Trading

A. *Prohibited Activities (Applicable to All Relevant Persons)*

- (a) No Relevant Person may trade in Company Securities while possessing material, non-public information about the Company (even during applicable trading windows). The prohibitions under this Section III.A.(a) do not apply to purchases or sales of Company Securities made pursuant to any binding contract, specific instruction or written plan entered into during a trading window while the purchaser or seller, as applicable, was unaware of any material, non-public information and which contract, instruction or plan (i) meets all requirements of the affirmative defense provided by Rule 10b5-1 (“Rule 10b5-1”) promulgated under the U.S. Securities Exchange Act of 1934, as amended (the “Securities Exchange Act”), (ii) was pre-cleared in advance pursuant to this Policy, and (iii) has not been amended or modified in any respect after such initial pre-clearance without such amendment or modification being pre-cleared in advance pursuant to this Policy and in compliance with Rule 10b5-1 (including the Cooling-Off Period as described in Part 1 of Schedule 2). See Section IV and Part 1 of Schedule 2 below for more information about 10b5-1 Trading Plans (as defined therein).

² Insider trading is a crime under the laws of the United States and Hong Kong, where the securities of the Company’s parent company, Melco, and the latter’s parent company, Melco International Development Limited, respectively, are listed and penalties for violating the law include: (a) in the United States, imprisonment, repayment of profits, civil fines of up to three times the profit gained or loss avoided, and criminal fines of up to US\$5,000,000 for individuals and US\$25,000,000 for entities; and (b) in Hong Kong, sanctions by the Market Misconduct Tribunal, a criminal fine up to HK\$10,000,000 and imprisonment for up to ten years.

- (b) No Relevant Person may disclose material, non-public information concerning the Company to any outside person (including Family Members, analysts, individual investors and members of the investment community and the media). All inquiries from stock analysts, potential investors and members of the media, and any inquiry regarding rumors, price movement or activity in any securities of the Company (including American depositary shares (“ADSS”) representing the ordinary shares of the Company), should be handled in accordance with the Guidelines for Corporate Communications and Continuous Disclosure.
- (c) No Relevant Person may give trading advice of any kind about the Company to anyone while possessing material, non-public information about the Company, except that the Relevant Person should advise others not to trade if doing so by others might violate the law or this Policy. The Company strongly discourages all Relevant Persons from giving trading advice concerning the Company to third parties, even when such Relevant Person does not possess material, non-public information about the Company.
- (d) Any and all discussions with others regarding the Company or Company Securities should be in compliance with the Company’s Guidelines for Corporate Communications and Continuous Disclosure. No Relevant Person may discuss the Company or its business in an internet “chat room” or similar internet-based forums, including any forms of social media (e.g., Facebook or Twitter).
- (e) No Relevant Person shall directly or indirectly tip material, non-public information acquired in the course of his or her duties with the Company to another person. In addition, material, non-public information should not be communicated to anyone outside the Company under any circumstances, or to anyone within the Company other than on a need-to-know basis.
- (f) Relevant Persons may not trade in the securities of any other company while aware of material, non-public information concerning that company if the Relevant Person acquired that information in the course of his or her duties with the Company, as the authorities view that as “misappropriating” the material, non-public information and therefore may hold the Relevant Person liable for insider trading based on that action.
- (g) Relevant Persons may have access to material, non-public information about companies with which the Company does business (i.e., customer or supplier), competes or is negotiating a major transaction (i.e., acquisition, sale or investment). In general, Relevant Persons may not trade in that other company’s securities until the information becomes public or is no longer material. Note that information that is not material to the Company may be material to another company. For guidance on what is “material” or “non-public,” please see Sections V.A. and B below.

B. *Prohibition on Short Sales, Puts, Short Swing Profits, Calls and Options (Applicable to All Relevant Persons except as specified in (c) below)*

- (a) All Relevant Persons are prohibited from engaging in trading, hedging and entering into other derivative transactions with respect to Company Securities that may afford a Relevant Person an opportunity to profit from a market view that is adverse to the Company. These transactions are characterized by short sales, puts, calls, options, swaps, collars or similar transactions, whether or not physically or cash settled. Short sales are sales of securities that the seller does not own at the time of the sale or, if owned, that will not be delivered usually within 20 days of the sale. One usually sells short when one thinks the market is going to decline substantially or the stock will otherwise drop in value. If the stock falls in price as expected, the person selling short can then buy the stock at a lower price for delivery at the earlier sale price (this is called “covering the short”) and pocket the difference in price as profit. The Company believes that it is inappropriate for Relevant Persons to bet against Company Securities in this way. Puts, calls, options, swaps, collars or similar derivative transactions (other than options granted pursuant to the Company’s stock option plan) also afford the opportunity to profit from a market view that is adverse to the Company, and they carry a high risk of inadvertent securities law violations. In addition, such transactions can create the appearance of impropriety and may become the subject of investigative action by the U.S. Securities and Exchange Commission (the “SEC”) or another regulatory authority in the event of any unusual activity in Company Securities or the price performance of Company Securities. All such transactions are prohibited without prior written approval by the NCGC.
 - (b) Securities held in a margin account may be sold by the broker without the customer’s consent if the customer fails to meet a margin call. Because such a sale may occur at a time when a Relevant Person has material inside information or is otherwise not permitted to trade in Company Securities, the Company prohibits a Relevant Person from purchasing Company Securities on margin or holding Company Securities in a margin account.
 - (c) This Policy does not apply to a Relevant Person’s exercise of an employee share option. This Policy does apply, however, to any sale of the underlying share or to a cashless exercise of the option through a broker, as this entails selling a portion of the underlying stock to cover the costs of such exercise.
- C. *Trading Windows (Applicable to Directors, Officers, Designated Persons and their Controlled Entities)*
- (a) Persons Affected. The Company has determined that the following are prohibited from trading in Company Securities except within applicable “trading windows” described below:
 - (i) all the Company’s directors and officers from time to time;

- (ii) Relevant Persons who are designated by the Company and served with notices that they are subject to Trading Windows (the “**Designated Persons**”), such notice to be in a form as the CS may designate or approve from time to time (Form I);
 - (iii) any Family Member of the Company’s directors, officers and Designated Persons; and
 - (iv) any Controlled Entities of any person covered by (i) through (iii) above.
- (b) Trading Window. A trading window begins at the opening of trading on the second full trading day following the Company’s widespread public release of quarterly or year-end operating results, and ends at the close of trading on the last day of the then-current quarter. Except as provided below, those persons described in the preceding paragraph are permitted to trade in Company Securities only within such window, and only so long as they are not in possession of material, non-public information at such time and are not subject to any trading blackout. The trading window for securities of any listed entities in the SCIH group may be identical or different according to the relevant entity’s own circumstances. Although market prices of the securities of different entities in the SCIH group may affect each other, the closing of the trading window and the prohibition of trading in the securities of one entity in the same group may not necessarily require the same closure and cessation of trading in the securities of another entity in the same group merely because they are members of the SCIH group. The CS may at his or her discretion designate different trading windows and approve the trading of Company Securities of the involved SCIH entity or entities individually and separately if the CS is satisfied that there is no sharing of material, non-public information between the entities and the individuals involved.
- (c) Pre-clearance of Transactions. All Company officers, Designated Persons, their Family Members and their Controlled Entities must (i) pre-clear all proposed transactions in Company Securities (including any entry into or modifications of 10b5-1 Trading Plans) with the CS or a member of the Legal team designated by the CS (the “**Company Counsel**”), or (ii) in the case of any proposed trading to be carried out under a 10b5-1 Trading Plan, obtain the related pre-clearance under the procedures stated in Section VI.A(d) and Part 1 of Schedule 2.

The CS may seek such pre-clearance from the Chairperson of the NCGC or the Chairman of the Board, or the Chief Legal Officer of Melco (“**Melco CLO**”).

For the Company’s directors, their Family Members and their Controlled Entities who intend to trade Company Securities, the procedures in Section VI.A(c) are to be followed.

The pre-clearance requirement applies to any change in beneficial ownership of Company equity securities, including purchases, sales, option exercises, transfers, gifts and changes in the form of ownership, and transactions in which you have any indirect interest. This includes Company equity securities over which you control decisions on how to vote and whether to sell and Company equity securities in which you have an economic interest. No transaction that in any way affects your ownership of Company securities is exempt from this requirement. You must make arrangements with your Family Members and fiduciaries, such as trustees of family trusts, to collect all of the information necessary to provide notification to the Company in advance of any transaction in compliance with this policy's pre-clearance requirement.

D. *Special Blackout Periods (Applicable to All Relevant Persons)*

- (a) In addition to the times when the trading window is scheduled to be closed, the CS may designate a special blackout period covering the relevant Company Securities due to the existence of material, non-public information that would make trading in the relevant Company Securities inappropriate in light of the risk that such trades could be viewed as violating applicable securities laws. For instance, the CS may impose a special blackout period in connection with specific events, such as contemplation of a major acquisition or disposition, consideration of major strategic decisions, investigation of a significant cybersecurity incident or other potential material events. Such special blackout period may restrict trading in Company Securities. The CS will advise the Relevant Persons when any special blackout period is applicable to them, and may designate at his or her discretion certain of the Relevant Persons to be subject to the special blackout period. Because such blackout periods are often associated with material developments relating to the Company, the imposition of a blackout period must be kept confidential by all Relevant Persons so notified.
- (b) No such Relevant Person may disclose to any outsider that a special trading blackout period has been designated. No such Relevant Person may trade in Company Securities during any special blackout periods designated by the CS that are applicable to such Relevant Person.

E. *Exceptions to Trading Window Closure and Special Blackout Periods*

Exceptions to the restrictions imposed during any trading window closure or special blackout period set forth in Sections III.C and III.D are described below. For clarity, any trade made pursuant to these exceptions is still subject to (i) the pre-clearance procedure set out in Section III. C. (c) and (ii) other than with respect to sub-clause III.E.(a) and III.E.(b)(ii) below, the rule that trading in Companies Securities is not permitted while in possession of material, non-public information as set out in Section III.A):

- (a) purchases of Company Securities from the Company by such Relevant Persons, or sales of Company Securities to the Company by such Relevant Persons, provided, that the Relevant Person in such transaction acknowledges and confirms to the CS in writing prior to the transaction that such Relevant Person either (i) does not possess any material, non-public information about the Company; (ii) has received all of the information that such Relevant Person considers necessary or appropriate for deciding whether to enter into such transaction and has the capacity to protect such Relevant Person's own interest in connection therewith and to evaluate the potential risks and benefits; or (iii) is not in possession of any material, non-public information about the Company that the Company would not have;
- (b) purchase or sale of Company Securities by any director or officer of the Company or any Controlled Entity thereof from or to any other director or officer of the Company or any Controlled Entity thereof (any such director or officer of the Company or Controlled Entity thereof is herein referred to as a "**Mutual Insider**"), provided, that each of the selling and purchasing Mutual Insiders in such transaction acknowledges and confirms to the CS in writing prior to the transaction that such Mutual Insider either (i) does not possess any material, non-public information about the Company; or (ii) is not in possession of any material, non-public information about the Company that any other Mutual Insider engaging in the sale or purchase would not have;
- (c) in the event of a transaction involving Company Securities owned by a Relevant Person which constitutes a related party transaction or otherwise requires approval from independent directors, where such approval has been obtained from the Board comprising independent directors, after considering the risk of insider trading, among other considerations;
- (d) in the event of a strategic transaction involving a sale of Company Securities that includes Company Securities owned by a Relevant Person, where such approval has been obtained from a majority of the members of the NCGC (after considering the risk of insider trading, among other considerations) who are reasonably satisfied that the strategic transaction in question is for the benefit of the Company's shareholders as a whole;
- (e) in the event of a "top-up" placement, which is conducted for the sole purpose of fund raising for the Company and in compliance with all applicable securities laws, the subscription by a shareholder or its Controlled Entities, to the extent subject to this Policy (in each case, the "**Purchasing Shareholder**"), of new Company Securities from the Company, provided that (i) such number of new shares of Company Securities subscribed by the Purchasing Shareholder is equal to the number of the shares of Company Securities offered to such Purchasing Shareholder, (ii) such subscription is made at the same price at which Company Securities were offered; and (iii) such Purchasing Shareholder does not otherwise receive any economic benefit from such transaction (for the avoidance of any doubt, the placement and/or sale of Company Securities to investors and/or third parties in such "top-up" placement is not covered by this exception). If a "top-up" placement does not satisfy the above criteria, the subscription by a shareholder or its Controlled Entities that is subject to this Policy is required to comply with the approval procedures for related party transactions stipulated in the "General Policy on Related Party Transactions" and "Guidelines and Standards for the Approval of Related Party Transactions" (collectively, the "**RPT Policy**"). A "top-up" placement that satisfied all the above criteria is not subject to approval stipulated in the RPT Policy;

- (f) purchases or sales of Company Securities made pursuant to any binding contract, specific instruction or written plan entered into during a trading window while the purchaser or seller, as applicable, was unaware of any material, non-public information and which contract, instruction or plan (i) meets all requirements of the affirmative defense provided by Rule 10b5-1, (ii) was pre-cleared in advance pursuant to this Policy, and (iii) has not been amended or modified in any respect after such initial pre-clearance without such amendment or modification being pre-cleared in advance pursuant to this Policy and being in compliance with the requirements of Rule 10b5-1 (including the Cooling-Off Period as described in Part 1 of Schedule 2); or
- (g) bona fide gifts where (i) the gift is made by a Relevant Person to a Family Member or to a Controlled Entity of such Relevant Person, (ii) the Relevant Person ensures that the recipient does not sell such Company Securities during any period when the Relevant Person is not permitted to sell Company Securities under this Policy, and (c) the gift was pre-cleared in advance pursuant to this Policy.

IV. Rule 10b5-1 Trading Plans

Rule 10b5-1 can protect directors, officers and employees from insider trading liability under Rule 10b5-1 for transactions made under a previously established contract, plan or instruction to trade in Company Securities (a “**10b5-1 Trading Plan**”) entered into and maintained in good faith and in accordance with the terms of Rule 10b5-1 and all applicable state laws. Rule 10b5-1 only provides an “affirmative defense” in the event there is an insider trading lawsuit. It does not prevent someone from bringing a lawsuit.

Each 10b5-1 Trading Plan that has been adopted in accordance with the requirements of this Policy is exempted from the trading restrictions set forth in this Policy.

Rule 10b5-1 presents an opportunity for insiders to establish arrangements to sell (or purchase) Company Securities without the restrictions of trading windows and blackout periods, even if the insider subsequently acquires material, non-public information after the 10b5-1 Trading Plan has been entered into. A 10b5-1 Trading Plan may also help reduce negative publicity that may result when key executives sell Company Securities.

Please refer to Part 1 of Schedule 2 for requirements to be met in adopting 10b5-1 Trading Plans and other related matters.

V. Explanation of Insider Trading

As noted above, “**insider trading**” refers to the purchase or sale of a security while in possession of “material”, “non-public” and/or “inside” information relating to the security in breach of a duty of trust or confidence. “**Securities**” include not only ADSs, shares, bonds, notes and debentures, but also options, swaps relating to securities, restricted shares, warrants and similar instruments. “Purchase” and “sale” are defined broadly under the U.S. federal securities law. “**Purchase**” includes not only the actual purchase of a security, but any contract to purchase or otherwise acquire a security and any receipt of a gift of a security. “**Sale**” includes not only the actual sale of a security, but any contract to sell or otherwise dispose of a security, and any gift of a security. These definitions extend to a broad range of transactions including conventional cash-for-stock transactions, conversions, the grant and exercise of share options and acquisitions and exercises of warrants or puts, calls or other options related to a security.

A. *What facts are material?*

The materiality of a fact depends upon the circumstances. A fact is considered “**material**” if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell or hold a security or where the fact is likely to have a significant effect on the market price of the security. Material information can be positive or negative and can relate to virtually any aspect of the Company’s business or to any type of security, debt or equity.

Examples of material information may include (but are not limited to) facts concerning:

- dividends;
- corporate earnings or earnings forecasts;
- changes in financial condition (e.g., cash flow crisis, credit crunch) or asset value;
- negotiations for mergers or acquisitions or disposals of significant subsidiaries or assets;
- significant new contracts or the loss of a significant contract;
- significant new products or services;
- significant marketing plans or changes in such plans;
- capital investment plans or changes in such plans;
- material litigation, administrative action or governmental investigations or inquiries about the Company or any of its officers or directors;

- new equity or debt offerings, including offering of convertible instruments, options or warrants to acquire or subscribe for securities;
- significant borrowings or financings;
- defaults on borrowings or bankruptcies;
- significant personnel changes;
- changes in accounting methods and write-offs;
- strategic plans or initiatives;
- any substantial change in industry circumstances or competitive conditions that could significantly affect the Company's earnings or prospects;
- change in performance, or the expectation of the performance, of the business;
- changes in control and control agreements;
- changes in auditors or any other information related to the auditors' activity;
- changes in the share capital, e.g., new share placing, bonus issue, rights issue, share split, share consolidation and capital reduction;
- takeovers and mergers;
- purchase or disposal of equity interests or other major assets or business operations;
- formation of a joint venture;
- restructurings, reorganizations and spin-offs that have an effect on the corporation's assets, liabilities, financial position or profits and losses;
- decisions concerning buy-back programs or transactions in other listed financial instruments;
- changes to the memorandum and articles (or equivalent constitutional documents);
- revocation or cancellation of credit lines by one or more banks;
- reduction of real properties' values;
- physical destruction of uninsured goods;
- new licenses, patents, registered trademarks;

- decrease or increase in value of financial instruments in portfolio, which include financial assets or liabilities arising from futures contracts, derivatives, warrants, swaps protective hedges, credit default swaps;
- innovative products or processes;
- withdrawal from or entry into new core business areas;
- changes in the investment policy;
- changes in the accounting policy;
- ex-dividend date, changes in dividend payment date and amount of dividend, changes in dividend policy;
- pledge of the corporation's shares by controlling shareholders;
- a significant new cybersecurity risk or cybersecurity incident; or
- changes in a matter which was the subject of a previous announcement.

Moreover, material information does not have to be related to the Company's business. For example, the contents of a forthcoming newspaper column that is expected to affect the market price of Company Securities can be material.

A good general rule of thumb: when in doubt, do not trade.

B. *What is non-public?*

Information is "**non-public**" if it is not available to the general public. In order for information to be considered public, it must have been widely disseminated in a manner making it generally available to investors, through such media as *Dow Jones*, *Reuters Economic Services*, *The Wall Street Journal*, *Bloomberg*, *Associated Press* or *United Press International*. The circulation of a fact through rumors, even if accurate and reported in the media, does not mean that such fact has become "public".

In addition, even after a public announcement, a reasonable period of time must lapse in order for the market to react to the information. Generally, one should allow one full trading day following publication as a reasonable waiting period before such information is deemed to be public.

C. *Who is an insider?*

Any person who possesses material, non-public information is considered an insider as to that information. "**Insiders**" include officers, directors, and employees of the Company, independent contractors and those persons in a special relationship with the Company such as its auditors or attorneys and any of their Controlled Entities. Insiders may not trade on material, non-public information relating to Company Securities.

It should be noted that trading by members of an officer's, director's, employee's or Relevant Person's family can be the responsibility of such officer, director, employee or Relevant Person under certain circumstances and could give rise to legal and Company-imposed sanctions.

D. *Who is an affiliate?*

An "**affiliate**" of, or a person "**affiliated**" with, a specified person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified. The term "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of management and policies of a person, whether through the ownership of voting securities, by contract or otherwise. An affiliate of the Company shall continue to be bound by the trading window requirements (Sections III and VI. A) and the SEC and other rules applicable to an affiliate (including Rule 144 set out in Part 2 of Schedule 2) until after three months from the date of the termination of employment or service agreement. Such affiliate remains a Relevant Person under this Policy during the three-month period.

Post-termination Transactions

This Policy continues to apply to transactions in Company Securities even after termination of employment with or service to the Company. If an individual is in possession of material, non-public information when his or her service or employment terminates, that individual may not trade in Company Securities until that information has become public or is no longer material.

E. *Trading by persons other than insiders*

Insiders may be liable for communicating or tipping material, non-public information to a third party ("**tippee**"), and insider trading violations are not limited to trading or tipping by Insiders. Persons other than Insiders also can be liable for insider trading, including tippees who trade on material, non-public information tipped to them or individuals who trade on material, non-public information which has been misappropriated.

Tippees inherit an Insider's duties and are liable for trading on material, non-public information illegally tipped to them by an Insider. Similarly, just as Insiders are liable for the insider trading of their tippees, so are tippees who pass the information along to others who trade. In other words, a tippee's liability for insider trading is no different from that of an Insider. Tippees can obtain material, non-public information by receiving overt tips from others or through, among other things, conversations at social, business, or other gatherings.

Tippees may include representatives (including directors, officers and employees) of our affiliates who receive material, non-public information regarding the Company.

F. *Penalties for engaging in insider trading*

Penalties for trading on or tipping material, non-public information can extend significantly beyond any profits made or losses avoided, both for individuals engaging in such unlawful conduct and their employers. The SEC and U.S. Department of Justice have made the civil and criminal prosecution of insider trading violations a top priority. Enforcement remedies available to the government or private plaintiffs under the U.S. federal securities laws include:

- SEC administrative sanctions;
- Securities industry self-regulatory organization sanctions;
- Civil injunctions;
- Damage awards to private plaintiffs;
- Repayment of all profits;
- Civil fines for the violator of up to three times the amount of profit gained or loss avoided;
- Civil fines for the employer or other controlling person of a violator (i.e., where the violator is an employee or other controlled person) of up to the greater of US\$1,000,000 or three times the amount of profit gained or loss avoided by the violator;
- Criminal fines for individual violators of up to US\$5,000,000 (US\$25,000,000 for an entity); and
- Jail sentences of up to 20 years.

In addition, insider trading could result in serious sanctions by the Company, including dismissal. Insider trading violations are not limited to violations of the U.S. federal securities laws. Other U.S. federal and state civil or criminal laws, such as the laws prohibiting mail and wire fraud and the Racketeer Influenced and Corrupt Organizations Act (RICO), also may be violated by insider trading.

G. *Examples of insider trading*

Examples of insider trading cases include actions brought against: corporate officers, directors, and employees who traded a company's securities after learning of significant confidential corporate developments; friends, business associates, Family Members, and other tippees of such officers, directors, and employees who traded the securities after receiving such information; government employees who learned of such information in the course of their employment; and other persons who misappropriated, and took advantage of, confidential information from their employers.

The following are illustrations of insider trading violations. These illustrations are hypothetical and, consequently, not intended to reflect on the actual activities or business of the Company or any other entity.

Trading by Insider

An officer of X Corporation learns that earnings to be reported by X Corporation will increase dramatically. Prior to the public announcement of such earnings, the officer purchases X Corporation's shares. The officer, an insider, is liable for all profits as well as penalties of up to three times the amount of all profits. The officer also is subject to, among other things, criminal prosecution, including up to US\$5,000,000 in additional fines and 20 years in jail. Depending upon the circumstances, X Corporation and the individual to whom the officer reports also could be liable as controlling persons.

Trading by Tippee

An officer of X Corporation tells a friend that X Corporation is about to publicly announce that it has entered into an agreement for a major acquisition. This friend purchases X Corporation's shares in advance of the announcement. The officer is jointly liable with his friend for all of the friend's profits and each is liable for all penalties of up to three times the amount of the friend's profits. In addition, the officer and his friend are subject to, among other things, criminal prosecution.

H. *Individual Responsibility*

In all cases, the responsibility for determining whether an individual is in possession of material, non-public information rests with that individual, and any action on the part of the Company, the CS or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws.

VI. Procedures Preventing Insider Trading

The following procedures have been established, and will be maintained and enforced, by the Company to prevent insider trading. Every officer, director, Designated Person and other Relevant Person is required to follow the relevant procedures below.

A. *Certification and Pre-Clearance Prior to Trading*

All Company directors, officers, Designated Persons, their Family Members and their Controlled Entities must pre-clear all proposed transactions in Company Securities (including any entry into or modifications of 10b5-1 Trading Plans) in accordance with the following procedures. Pre-clearance should not be understood to represent legal advice by the Company that a proposed transaction complies with the law. Notwithstanding receipt of pre-clearance, if a Relevant Person becomes aware of material, non-public information, or becomes subject to a blackout period after pre-clearance but before the transaction is effected, the transaction may not be completed.

- (a) Officers' or Employees' Trading - prior to directly or indirectly trading any Company Securities (including securities of a Listed Sub), the Company's officers and Designated Persons (other than the Company's directors who are subject to an alternative procedure below) and their respective Family Members and Controlled Entities (collectively, the "**Pre-Clearance Employees**") are required to seek approval from the CS or the Company Counsel, by submitting a "Request for Approval of Personal Securities Transaction" in a form designated or approved by the CS from time to time (Form II) (the "**Approval Request**"), in which such Pre-Clearance Employee is required to certify that he or she is not in possession of material, non-public information about the Company. The CS has delegated authority to make changes to the Approval Request from time to time as needed for better administration of this Policy or to enhance compliance with applicable laws and regulations. In making such certification, the explanations of "material" and "non-public" information set forth above should be of assistance. If such Pre-Clearance Employee is unable to make such certification or if the CS otherwise determines that the Company and/or such Pre-Clearance Employee is or may be in possession of material, non-public information, then there may be no trading in any Company Security. The Approval Request shall be given to the CS or the Company Counsel no later than three business days prior to the proposed transaction date. Clearance to trade in Company Securities once given is valid for no longer than five business days of clearance being received (inclusive of the date clearance is given), while the trading window is open. If the transaction order is not placed and the transaction is not executed within such five business day clearance period, while the trading window is open, clearance for the proposed transaction must be re-requested. If clearance is denied, the fact of such denial must be kept confidential by such Relevant Person who requested the clearance. "**Business day**" means a day on which the relevant stock exchange is open for trading of securities generally.
- (b) If the Pre-Clearance Employee is the CS, he or she is required to follow the same pre-clearance procedures for trading any Company Securities and give substantially the same certifications except with the following modifications:
- (i) the Approval Request shall be addressed to the Chairperson of the NCGC, the Chairperson of the Board or Melco CLO; and
 - (ii) the addressee of the Approval Request shall act as the approver of the Approval Request.
- (c) Directors' (and their Family Members and Controlled Entities') Trading - in relation to Company's directors and their Family Members and Controlled Entities, the following procedures shall be followed:

If a Company's director or his or her Family Members or Controlled Entities intend to trade Company Securities within a trading window as set out in Section III.C(b), such Company's director is required to first notify in writing the Chairperson or the Designated Director (as defined below) (other than himself or herself) (and copying the Company's company secretary) and receive a dated written acknowledgment in a form designated or approved by the CS from time to time (Form III), from the Chairperson or the Designated Director. In his or her own case, the Chairperson must first notify the Board at a Board meeting, or alternatively notify the Designated Director (otherwise than himself or herself) (and copying the Company's company secretary) and receive a dated written acknowledgement from the Designated Director before any trading. In each case:

- (i) prior to a response to a request for clearance being given to the relevant director, the request must first be reviewed by the CS or the Company Counsel;
- (ii) a response to a request for clearance to trade must be given to the relevant director within five business days of the request being made; and
- (iii) the clearance to trade in accordance with (ii) above must be valid for no longer than five business days of clearance being received (inclusive of the date clearance is given) while the trading window is open.

If a Company's director proposes to trade Company Securities where such trading is otherwise prohibited under this Policy, the director must, in addition to complying with the procedures stated in this Section VI.A.(c) regarding prior written notice and acknowledgement, satisfy the Chairperson or Designated Director that the circumstances are exceptional and the proposed trading in Company Securities is the only reasonable course of action available to such director before he or she can trade in Company Securities.

The above procedures are equally applicable to a Family Member or Controlled Entity of a Company's director. The Company's director is responsible to follow the above procedures if any of his or her Family Members or Controlled Entities intends to trade Company Securities.

For the purpose of the above, the "**Designated Director**" is determined as follows:

The Chairperson of the NCGC has been designated as the Designated Director to receive and sign the written acknowledgement given by the Company's director. If the Chairperson of the NCGC is the Company's director who, himself or herself or through a Family Member or Controlled Entity, intends to trade Company Securities or is otherwise not available to act, the Chairperson of the Compensation Committee would act as the Designated Director. If the Chairperson of the Compensation Committee who, himself or herself or through a Family Member or Controlled Entity, intends to trade Company Securities or is otherwise not available to act, one of the other independent non-executive directors would act as the Designated Director, failing which, the Chairperson must be notified and his or her acknowledgement obtained.

- (d) Please refer to Section IV and Part 1 of Schedule 2 for the restrictions and requirements that apply to 10b5-1 Trading Plans. Transactions effected pursuant to pre-cleared 10b5-1 Trading Plans will not require further pre-clearance prior to the execution of the transaction.

Each 10b5-1 Trading Plan shall be in writing and shall have all the information required by a broker or an agent and is subject to the pre-approval by the Authorizing Officer as set forth in Part 1 of Schedule 2.

B. *Information Relating to the Company*

(a) Access to Information

Access to material, non-public information about the Company, including the Company's business, earnings or prospects, should be limited to officers, directors and employees of the Company on a need-to-know basis. In addition, such information should not be communicated to anyone within or outside the Company other than on a need-to-know basis.

In communicating material, non-public information to employees of the Company, all officers, directors, employees and Relevant Persons must take care to emphasize the need for confidential treatment of such information and adherence to the Company's policies with regard to confidential information.

(b) Inquiries From Third Parties

Inquiries from third parties, such as industry analysts or members of the media, about the Company should be handled in accordance with the Guidelines for Corporate Communications and Continuous Disclosure.

C. *Limitations on Access to and Confidentiality of Company Information*

Please refer to the Company's Code of Business Conduct and Ethics.

D. *Corrective Action*

If any potentially material information is inadvertently disclosed, the officer, director, employee or Relevant Persons should notify the CS immediately so that the Company can determine if corrective action, such as general disclosure to the public, is warranted.

VII. Melco's Listed Securities

A. *Trading of Melco Securities by Employees and Directors*

Prior to directly or indirectly trading any Melco securities (including the securities of any of its listed subsidiaries except Company Securities), the Company's directors, officers and Designated Persons and their respective Family Members and Controlled Entities are required to notify a Company Counsel by providing a "Notification of Melco Securities Transaction" in a form designated or approved by the CS from time to time (Form IV) (the "Notification") in which such person is required to certify that he or she is not in possession of material, non-public information about the Company or Melco. The CS has delegated authority to make changes to the form of Notification from time to time as needed for better administration of this Policy or enhance compliance with applicable laws and regulations. If such person is unable to make such certification or if the CS determines that the Company and/or such person is or may be in possession of material, non-public information, then there may be no trading in any such Melco securities. The Notification shall be given to the CS or the Company Counsel no later than five business days prior to the proposed transaction date. If such notified proposed transaction is deemed inappropriate by a Company Counsel, the subject Relevant Person shall refrain from undertaking such proposed transaction.

If the subject Relevant Person is the CS, he or she is required to follow the same pre-clearance procedures for trading any Company Securities and give substantially the same certifications except with the following modifications:

- (a) the Approval Request shall be addressed to Melco CLO; and
- (b) the approver of the Approval Request shall be Melco CLO or a Melco counsel as may be designated by Melco CLO, as relevant.

B. *Additional Procedures Applicable to Melco Restricted Persons*

From time to time, the CS may designate at his or her discretion certain Relevant Employees as "Melco Restricted Persons."³ Any person so designated as a Melco Restricted Person will become subject to, and shall comply with, the procedures, restrictions and requirements set forth in Melco's Policy for the Prevention of Insider Trading in addition to those set forth in this Policy. Such designated Melco Restricted Persons will be required, for example, to comply with the procedures relating to trading windows, blackout periods and pre-clearance requirements as set forth in Melco's Policy for the Prevention of Insider Trading.

VIII. Melco International's Listed Securities

Under The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (including the Model Code for Securities Transactions by Directors of Listed Issuers) and the Securities and Futures Ordinance of Hong Kong, anyone in possession of inside information of Hong Kong listed securities is prohibited from trading the securities. Any director, officer and employee of the Company or its subsidiaries who have inside information about Melco International or its listed subsidiaries (including Melco, Melco's other listed subsidiaries and the Company) and/or their respective listed securities, should refrain from dealing in all those securities.

³ Each Melco Restricted Employee must refer to and comply with Melco's Policy for the Prevention of Insider Trading.

For compliance purposes, a Relevant Person (except those who are already subject to trade pre-approval requirement imposed by Melco International) intending to deal in the listed securities of Melco International is required to seek pre-clearance, and shall submit a “Request for Approval of Personal Securities Transaction (Listed Securities of Melco International Development Ltd.)” in a form designated or approved by the CS from time to time (Form V) via email address. A Relevant Person is not eligible to make the pre-clearance application at any time Melco International’s blackout periods are in force, unless otherwise permitted by applicable securities laws or this Policy.

IX. Section 16 Reporting Obligations (Applicable to Directors, Officers and their Controlled Entities)

With effect from March 18, 2026, Section 16(a) of the Securities Exchange Act and the related rules of the SEC require directors, officers (which, for this Section IX, includes the principal accounting officer) of a foreign private issuer, subject to the Securities Exchange Act, to report their ownership and all transactions involving the Company’s equity securities (including ADSs and all other derivative securities, including options, restricted shares, warrants and restricted share units (“RSUs”)) to the SEC on the following forms:

- **Form 3** must be filed when a person first becomes subject to Section 16. The Form 3 requires the reporting person to list all holdings of Company ordinary shares, ADSs, options, RSUs and other “derivative securities.” For the Company’s directors and officers as of March 18, 2026, the Form 3 must be filed no later than that date. New directors and officers must electronically file Form 3 with the SEC within ten (10) calendar days after becoming an officer or director.
- **Form 4** must be filed whenever there is a change in the beneficial ownership of the Company’s securities, including acquisitions or dispositions (including dispositions by gift) of Company ordinary shares (including ADSs) or any derivative security of the Company, such as options, restricted shares, warrants or RSUs. In certain circumstances, changes in the nature of the reporting person’s ownership (*e.g.*, from direct to indirect) must be reported on a Form 4. **Option grants and exercises and restricted share grants also must be reported on Form 4.** Form 4 must be electronically filed with the SEC no later than the second business day after a change in beneficial ownership.
- **Form 5** must be filed each year (within 45 days after the end of the Company’s fiscal year) to report certain exempt transactions and failures to file previously due reports, if any. The types of exempt transactions eligible for deferred reporting on Form 5 are extremely limited.

The requirement extends to transactions by certain of your Family Members sharing your household, and transactions in which you have an indirect interest (such as transactions by trusts, corporations or partnerships in which you have or share control) and applies not only to open-market and privately-negotiated purchases and sales, but also to option grants and other share incentive plan transactions. In addition, any transaction (including the quantity and price) made by you (or on your behalf) pursuant to a 10b5-1 Trading Plan must be reported to the Equity Administration team by you or your trading plan broker promptly on the day of each trade. The SEC requires all Section 16 filings to be made through EDGAR, which is the SEC's electronic filing system. The Legal team can assist you with the electronic filing procedures. Due to the two (2) business days filing deadline after a change in beneficial ownership, it is essential that you respond promptly to the Company's Legal team. **Failure to report your trades on time could prevent the preparation and filing of your required Section 16 report on time.**

Regardless of whether you or the Company prepares and files your Section 16 reports, it is your legal obligation, not the Company's, to make all required filings. The consequences of filing a late report or not filing a required report can be significant:

- You may be required to pay substantial fines for each filing violation and may cause substantial fines to be levied on the Company.
- You may be subject to an SEC "cease and desist" order.
- Willful failures to file can be, and occasionally have been, prosecuted as a criminal violation of U.S. federal securities laws.

While the Company is offering its assistance to help comply with the Section 16 rules, you should recognize that it remains your obligation to see that your filings are accurate and made on time. The Company cannot assume any legal responsibility in this regard. Under the law, if a filing is missed, you are personally responsible, notwithstanding that the Company has undertaken to prepare a required Form 3, 4 or 5 on your behalf. Please do not hesitate to contact the Legal team if you have any questions about any proposed transaction or about Section 16 reporting requirements generally or in regard to any particular transaction.

X. Policy Review

After the initial approval of this Policy by the Board, the NCGC has been delegated authority and responsibility from the Board to review and amend this Policy, when and where appropriate, in order to ensure its effectiveness. Upon any approval of an amendment of this Policy, the NCGC shall report such approval and amendment to the Board.

SCHEDULE 1

Controlled Entities

For the purpose of this Policy, “Controlled Entity” means any entity which, through one or more intermediaries, is controlled by, or under common control with, a director, officer or employee (or their respective Family Members) of the Company, without giving effect to the first sentence of the third paragraph of Section I of this Policy (regarding Listed Subs). For the purpose of the definition of “Controlled Entity,” “controlled by” and “under common control with” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership of voting securities, by contract or otherwise.

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SCHEDULE 2

Part 1 - Rule 10b5-1 Trading Plans

- (a) **Pre-approval.** A director, officer or employee or a Controlled Entity thereof may enter into a 10b5-1 Trading Plan only when he, she or it is not in possession of material, non-public information, and only during a trading window period outside of a trading blackout period. Any such party who wishes to initiate a 10b5-1 Trading Plan is required to prepare and submit to the Authorizing Officer a request for pre-approval in a form designated or approved by the CS from time to time (Form 6).

For purposes of this Policy, the initiation of, and any modification to, any such 10b5-1 Trading Plan will be deemed to be a transaction in Company Securities, and such initiation or modification is subject to all limitations and prohibitions relating to transactions in Company Securities under this Policy. Each such 10b5-1 Trading Plan, and any modification thereof, must be submitted to and pre-approved as follows:

Initiator	Authorizing Officer
Any officer or employee or Controlled Entity thereof	CS or a Company Counsel
CS	Melco CLO or designee
Director or Controlled Entity thereof	Designated Director ¹ following a review by the CS or a Company Counsel

The Relevant Persons designated above for pre-approval are the “**Authorizing Officer.**” An Authorizing Officer may impose such conditions on the implementation and operation of a 10b5-1 Trading Plan as the Authorizing Officer deems necessary or advisable.

Compliance of the 10b5-1 Trading Plan with the terms of Rule 10b5-1 and the execution of transactions pursuant to the 10b5-1 Trading Plan are the sole responsibility of the person initiating the 10b5-1 Trading Plan, not the Company or the Authorizing Officer.

- (b) **Suspension, Discontinuation and Prohibition.** The Company reserves the right from time to time to suspend, discontinue or otherwise prohibit any transaction in Company Securities, even pursuant to a previously approved 10b5-1 Trading Plan, if the Authorizing Officer or the Board of Directors, in its discretion, determines that such suspension, discontinuation or other prohibition is in the best interests of the Company. Any 10b5-1 Trading Plan submitted for approval hereunder should explicitly acknowledge the Company’s right to prohibit transactions in Company Securities.

¹ Defined in Part VI A(c) of this Policy

Failure to discontinue purchases and sales as directed shall constitute a violation of the terms of Section IV of this Policy and result in a loss of the exemption set forth herein.

- (c) Operation of 10b5-1 Trading Plan. Officers, directors and employees and Controlled Entities thereof may adopt 10b5-1 Trading Plans with the Company approved broker(s) that outline a pre-set plan for trading of Company Securities, including the exercise of options. Trades pursuant to a 10b5-1 Trading Plan generally may occur at any time. However, the Company requires a Cooling-Off Period (of varying length described below) between the establishment of a 10b5-1 Trading Plan and commencement of any transactions under such plan. An individual may not have more than one outstanding 10b5-1 Trading Plan covering the same time period (subject to exceptions described below). Please review the following description of how a 10b5-1 Trading Plan works.

Pursuant to Rule 10b5-1, an individual or entity's purchase or sale of securities will not be "on the basis of" material, non-public information if:

- (i) before becoming aware of any material, non-public information, the individual or entity enters into a binding contract to purchase or sell the securities, provides instructions to another person to sell the securities or adopts a written plan for trading the securities (i.e., the 10b5-1 Trading Plan).
 - (ii) the 10b5-1 Trading Plan must either:
 - (a) specify the amount of securities to be purchased or sold, the price at which the securities are to be purchased or sold and the date on which the securities are to be purchased or sold;
 - (b) include a written formula or computer program for determining the amount, price and date of the transactions; or
 - (c) prohibit the individual or entity from exercising any subsequent influence over the purchase or sale of Company Securities under the 10b5-1 Trading Plan in question.
 - (iii) the purchase or sale must occur pursuant to the 10b5-1 Trading Plan and the individual or entity must not enter into a corresponding hedging transaction or alter or deviate from the 10b5-1 Trading Plan.
- (d) Good Faith. The 10b5-1 Trading Plan must be entered into in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b5-1. The person adopting the 10b5-1 Trading Plan must also continue to act in good faith with respect to the plan for the entirety of its duration.
- (e) Cooling-Off Period. No trade made under a 10b5-1 Trading Plan can occur until the applicable date described below (the time between adoption or modification of a 10b5-1 Trading Plan and the first trade after such adoption or modification is referred to as the "**Cooling-Off Period**"):
 - (i) For a director or officer of the Company, the median of the following three dates:

- (a) 90 calendar days after adoption or modification of the 10b5-1 Trading Plan;
 - (b) two business days following the filing of the Company's financial results in a Form 6-K or 20-F for the fiscal quarter in which the 10b5-1 Trading Plan was adopted or modified; and
 - (c) 120 calendar days after adoption or modification of the 10b5-1 Trading Plan.²
- (ii) For persons who are not directors or officers of the Company: 30 days after adoption of the 10b5-1 Trading Plan.
- For the purpose of a 10b5-1 Trading Plan and subject to applicable U.S. securities laws, “**officer**” shall mean the SCIH’s principal executive officer, president, principal financial officer (or, if there is no such accounting officer, the controller), principal accounting officer, head of principal business unit, or any other officer or person who performs a policy-making function for SCIH, which may include officers of SCIH’s subsidiaries. Currently, such officers of SCIH are the Property General Manager, the Chief Financial Officer and the Principal Accounting Officer and each other executive (VP and above) as may be designated by SCIH as an officer from time to time.
- (f) No Concurrent Plans. Multiple 10b5-1 Trading Plans which trade under the same time period are not allowed, subject to the following exceptions and clarifications:
- (i) An individual or entity is allowed to maintain multiple 10b5-1 Trading Plans at multiple brokers, as long as the multiple 10b5-1 Trading Plans are treated as the same master plan, where a modification or termination of one plan at one broker is treated as a modification or termination of all plans at all brokers, requiring a new Cooling-Off Period before the new or modified master 10b5-1 Trading Plan begins trading.
 - (ii) A 10b5-1 Trading Plan may have multiple trading algorithms under the same single plan, but any modification or termination of any portion of any algorithm will be treated as a modification or termination of the entire 10b5-1 Trading Plan, requiring a new Cooling-Off Period before the new or modified 10b5-1 Trading Plan begins trading.
 - (iii) Two separate 10b5-1 Trading Plans can be in effect at the same time as long as the trading periods under each plan do not overlap. However, the early termination of one 10b5-1 Trading Plan to avoid overlapping with a subsequent 10b5-1 Trading Plan will require a Cooling-Off Period between the early termination date and trading under the subsequent 10b5-1 Trading Plan.

² For example, if a director or officer of the Company adopted a 10b5-1 Trading Plan on March 1, 2022, the first trade under such 10b5-1 Trading Plan cannot occur until May 30, 2022, which is the median out of these three dates: (1) May 30, 2022 (90 calendar days after plan adoption); (2) May 10, 2022 (two business days following SCIH’s filing of its unaudited results for first quarter of 2022 on the Form 6-K); and (3) June 29, 2022 (120 calendar days after plan adoption).

- (iv) A 10b5-1 Trading Plan that authorizes an agent (such as a broker or the administrator of the Company's Share Incentive Plan) to sell only Company Securities as necessary to satisfy tax withholding obligations arising exclusively from the vesting of restricted shares or restricted share units (but not share options) and has no other trading algorithms (a "**Sell-To-Cover Plan**") shall not count toward having a multiple 10b5-1 Trading Plan.
- (g) **Single-Trade Plans.** During any 12-month period, an individual or entity may not enter into more than one 10b5-1 Trading Plan which would have the practical effect, directly or indirectly, of requiring the purchase or sale under the plan to occur in a single transaction (a "**Single-Trade Plan**"). Sell-To-Cover Plan(s) are excluded from this 12 month limitation, even if they are Single-Trade Plans.
- (h) **Certification.** For directors and officers, the 10b5-1 Trading Plan must include the following certifications made to the issuer of Company Securities: (1) the person adopting a 10b5-1 Trading Plan is not aware of any material, non-public information about the Company or Company Securities; and (2) the person adopting a 10b5-1 Trading Plan is adopting the plan in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b-5 promulgated under the Securities Exchange Act.
- (i) **Termination and Amendment.** Termination or amendment of 10b5-1 Trading Plans should occur only in unusual circumstances and be subject to the following conditions:
 - (i) Effectiveness of any termination or amendment of a 10b5-1 Trading Plan will be subject to the prior review and approval of the Authorizing Officer.
 - (ii) Any modifications to or deviations from a 10b5-1 Trading Plan are subject to the imposition of a new Cooling Off Period before trading under the modified or deviated 10b5-1 Trading Plan can take effect.
 - (iii) You should note that amendment or termination of a 10b5-1 Trading Plan may call into question the good faith requirement of Rule 10b5-1 and thus may result in the loss of the affirmative defense for past or future transactions under the 10b5-1 Trading Plan. You should consult with your own legal counsel before deciding to amend or terminate a 10b5-1 Trading Plan. In any event, you should not assume that compliance with a new Cooling-Off Period will protect you from possible adverse legal consequences of a 10b5-1 Trading Plan termination or amendment.
 - (iv) Under certain circumstances, a 10b5-1 Trading Plan *must* be terminated by the Company. This may include circumstances such as the announcement of a merger or the occurrence of an event that would cause the transaction either to violate the law or to have an adverse effect on the Company. The Authorizing Officer or administrator of the Company's Share Incentive Plan is authorized to notify the broker in such circumstances, thereby insulating the insider in the event of termination by the Company.
- (j) **Form 144.** If applicable, a SEC Form 144 will be filled out and filed in accordance with the existing rules regarding Form 144 filings. A footnote at the bottom of the Form 144 should indicate that the trades "are in accordance with a Rule 10b5-1 trading plan that complies with Rule 10b5-1 promulgated under the U.S. Securities Exchange Act of 1934, as amended" or other similar language to that effect. See Part 2 of this Schedule 2 for more information about the Form 144 filing requirements.

- (k) Options. Exercises of options for cash may be executed at any time. The “Cashless exercise” of options is subject to trading windows. However, the Company will permit same day sales under 10b5-1 Trading Plans that comply with all the requirements for 10b5-1 Trading Plans described in this Policy. If a broker is required to execute a cashless exercise in accordance with a 10b5-1 Trading Plan, then the exercise forms must be attached to the relevant 10b5-1 Trading Plan that are signed, undated and with the number of shares to be exercised left blank. Once a broker determines that the time is right to exercise the option and dispose of the underlying shares in accordance with the 10b5-1 Trading Plan, the broker will notify the Company in writing and the administrator of the Company’s Share Incentive Plan will fill in the number of options and the date of exercise on the previously signed exercise form. The plan holder should not be involved with this part of the exercise.
- (l) Trades Outside of a 10b5-1 Trading Plan. During an open trading window, trades differing from 10b5-1 Trading Plan instructions that are already in place, are allowed as long as the 10b5-1 Trading Plan continues to be followed.
- (m) Public Announcements. The Company may make a public announcement that 10b5-1 Trading Plans are being implemented in accordance with Rule 10b5-1. It will consider in each case whether a public announcement of a particular 10b5-1 Trading Plan should be made. It may also make public announcements or respond to inquiries from the media as transactions are made under a 10b5-1 Trading Plan.
- (n) Prohibited Transactions. The transactions prohibited under Section III of this Policy, including among others short sales and hedging transactions, may not be carried out through a 10b5-1 Trading Plan or other arrangement or trading instruction involving potential sales or purchases of Company Securities.
- (o) Limitation on Liability. None of the Company, the Authorizing Officer or the Company’s other employees will have any liability for any delay in reviewing, or refusal of, a 10b5-1 Trading Plan submitted pursuant to this Section IV. Notwithstanding any review of a 10b5-1 Trading Plan pursuant to this Section IV, none of the Company, the Authorizing Officer or the Company’s other employees assumes any liability for the legality or consequences relating to such 10b5-1 Trading Plan to the person adopting such plan.

Part 2 - Rule 144

(Applicable to Officers, Directors and 10% Shareholders)

Sales of Company Securities by “affiliates” (generally, directors, officers and 10% shareholders of the Company) must comply with the requirements of Rule 144, in addition to any other applicable securities laws (including Rule 10b-5). It provides a safe harbor exemption to the registration requirements of the U.S. Securities Act of 1933, as amended for certain resales of “restricted securities” and “control securities.” The rule in summary requires:

- (a) **Current Public Information.** The Company must have filed all SEC-required reports during the last 12 months.
- (b) **Volume Limitations.** Total sales of Company ordinary shares by a covered individual for any three-month period may not exceed the greater of: (i) 1% of the total number of outstanding shares of Company common stock, as reflected in the most recent report or statement published by the Company, or (ii) the average weekly reported volume of such shares traded during the four calendar weeks preceding the filing of the requisite Form 144.
- (c) **Method of Sale.** The shares must be sold either in a “broker’s transaction” or in a transaction directly with a “market maker.” A “broker’s transaction” is one in which the broker does no more than execute the sale order and receive the usual and customary commission. Neither the broker nor the selling person can solicit or arrange for the sale order. In addition, the selling person must not pay any fee or commission other than to the broker. A “market maker” includes a specialist permitted to act as a dealer, a dealer acting in the position of a block positioner, and a dealer who holds himself or herself out as being willing to buy and sell Company ordinary shares for his or her own account on a regular and continuous basis.
- (d) **Notice of Proposed Sale.** The selling person must file a notice of the proposed sale (Form 144) with the SEC electronically on the SEC’s Electronic Data Gathering, Analysis, and Retrieval system (EDGAR) at the time of the sale. Brokers generally have internal procedures for executing sales under Rule 144 and will assist you in completing the Form 144 and in complying with the other requirements of Rule 144.

If you are subject to Rule 144, you must instruct your broker who handles trades in Company Securities to follow the brokerage firm’s Rule 144 compliance procedures in connection with all trades. A person is deemed to be an affiliate for the three-month period after which they cease to be a director, officer or 10% shareholder for the purposes of Rule 144.

Certification by the Property General Manager

I, Kevin Richard Benning, certify that:

1. I have reviewed this annual report on Form 20-F of Studio City International Holdings Limited;
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 company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) 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 company 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 company, 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 company'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 company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company'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 company'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 company's internal control over financial reporting.

Date: March 13, 2026

By: /s/ Kevin Richard Benning

Name: Kevin Richard Benning

Title: Property General Manager

Certification by the Chief Financial Officer

I, Geoffrey Stuart Davis, certify that:

1. I have reviewed this annual report on Form 20-F of Studio City International Holdings Limited;
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 company as of, and for, the periods presented in this report;
4. The company's other certifying officer(s) 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 company 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 company, 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 company'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 company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company'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 company'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 company's internal control over financial reporting.

Date: March 13, 2026

By: /s/ Geoffrey Stuart Davis

Name: Geoffrey Stuart Davis

Title: Chief Financial Officer

**Certification by the Property General Manager
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of Studio City International Holdings Limited (the "Company") on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kevin Richard Benning, Property General Manager of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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.

Date: March 13, 2026

By: /s/ Kevin Richard Benning

Name: Kevin Richard Benning

Title: Property General Manager

**Certification by the Chief Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Annual Report of Studio City International Holdings Limited (the "Company") on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Geoffrey Stuart Davis, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

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.

Date: March 13, 2026

By: /s/ Geoffrey Stuart Davis
Name: Geoffrey Stuart Davis
Title: Chief Financial Officer

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-261406 on Form F-3 of our reports dated March 13, 2026, relating to the financial statements of Studio City International Holdings Limited and the effectiveness of Studio City International Holdings Limited's internal control over financial reporting appearing in this Annual Report on Form 20-F for the year ended December 31, 2025.

/s/ Deloitte & Touche LLP

Singapore
March 13, 2026

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form F-3 No. 333-261406) of Studio City International Holdings Limited of our report dated March 22, 2024, (except for Note 18, as to which the date is March 21, 2025), with respect to the consolidated financial statements and schedule of Studio City International Holdings Limited included in this Annual Report (Form 20-F) for the year ended December 31, 2025.

/s/ Ernst & Young LLP

Singapore
March 13, 2026