

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, 2024
- 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 depositary 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, 2024

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:

- “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 revolving credit facility of HK\$775,420,000 (equivalent to US\$100 million), and which was amended, restated and extended by the 2016 Studio City Senior Secured Credit Facility;
- “2016 Studio City Senior Secured Credit Facility” refers to the facility agreement dated November 23, 2016 with, among others, Bank of China Limited, Macau Branch, to amend, restate and extend the 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) 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 2021 Studio City Senior Secured Credit Facility;
- “2021 Studio City Senior Secured Credit Facility” refers to the facility agreement dated March 15, 2021 with, among others, Bank of China Limited, Macau Branch, to amend, restate and extend the 2016 Studio City Senior Secured Credit 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) revolving credit facility and a HK\$1.0 million (equivalent to US\$0.1 million) term loan facility, with the maturity date of August 29, 2029, and was amended, restated and extended on November 29, 2024;
- “2024 Studio City Senior Secured Credit Facility” 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;
- “2025 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, of which US\$221.6 million in aggregate principal amount remains outstanding as of March 14, 2025;
- “2025 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 Notes in November 2023;
- “2025 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 Notes in April 2024;
- “2027 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 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 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 was issued on January 14, 2021 and US\$350,000,000 was issued on May 20, 2021;

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- “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” refers 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, an area of reclaimed land located between the islands of Taipa and Coloane in Macau, which currently features gaming areas and luxury hotels, including a collection of retail brands, a wet stage performance theater (temporarily closed since June 2020) and other entertainment venues;
- “Concession Contract” refers to the concession contract executed between the Macau SAR and the Gaming Operator on December 16, 2022, 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 Direção de Inspeção e Coordenação de Jogos (the Gaming Inspection and Coordination Bureau), a department of the Public Administration of Macau;
- “DSEC” refers to the Statistics and Census Service of Macau, a department of the government of Macau;
- “HK\$” and “H.K. dollar(s)” refer to the legal currency of Hong Kong;
- “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 (formerly known as MCE 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;

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- “Melco Resorts” refers to Melco Resorts & Entertainment Limited, a Cayman Islands company and with its American depositary shares listed on the Nasdaq Global Select Market;
- “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 mainland China;
- “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, 2024, 2023 and 2022 and as of December 31, 2024 and 2023.

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 non-discretionary incentives (including the point-loyalty programs) 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”	an individual or a corporate entity who, for the purpose of promoting rolling chip and other gaming activities, arranges customer transportation and accommodation, provides credit in its sole discretion if authorized by a gaming operator and arranges food and beverage services and entertainment in exchange for commissions or other compensation from a gaming operator
“integrated resort”	a resort which provides customers with a combination of hotel accommodations, casinos or gaming areas, retail and dining facilities, MICE space, entertainment venues and spas
“junket player”	a player sourced by gaming promoters to play in the VIP gaming rooms or areas
“marker”	evidence of indebtedness by a player to the casino or gaming operator
“mass market patron”	a customer who plays in the mass market segment
“mass market segment”	consists of both table games and gaming machines played by mass market patrons primarily for cash stakes

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“mass market table games drop”	the amount of table games drop in the mass market table games segment
“mass market table games hold percentage”	mass market table games win (calculated before discounts, commissions, non-discretionary incentives (including the point-loyalty programs) 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 segment”	the mass market segment 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 concessionaire 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 segment”	consists of table games played in private VIP gaming rooms or areas by rolling chip patrons who are either premium direct players or junket players
“rolling chip volume”	the amount of non-negotiable chips wagered and lost by the rolling chip market segment
“rolling chip win rate”	rolling chip table games win (calculated before discounts, commissions, non-discretionary incentives (including the point-loyalty programs) 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”	traditional 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 is authorized to operate games of fortune and chance in casinos in Macau

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“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, non-discretionary incentives (including the point-loyalty programs) as administered by the Gaming Operator and allocating casino revenues related to goods and services provided to gaming patrons on a complimentary basis
“VIP gaming room”	gaming rooms or areas that have restricted access to rolling chip patrons and typically offer more personalized service than the general mass market gaming areas

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 where the amended gaming law was adopted and implemented by the Macau government, 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 mainland China;
- the completion of infrastructure projects in Macau;
- our ability to retain and gain new customers;

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- our ability to offer new services and attractions;
- 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 (if at all), 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\$7.763493 to US\$1.00 and RMB7.316092 to US\$1.00, respectively.

The H.K. dollar is freely convertible into other currencies (including the U.S. dollar). Since October 17, 1983, the H.K. dollar has been officially linked to the U.S. dollar at the rate of HK\$7.80 to US\$1.00. The market exchange rate has not deviated materially from the level of HK\$7.80 to US\$1.00 since the peg was first established. However, in May 2005, the Hong Kong Monetary Authority broadened the trading band from the original rate of HK\$7.80 per U.S. dollar to a rate range of HK\$7.75 to HK\$7.85 per U.S. dollar. The Hong Kong government has stated its intention to maintain the 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 MOP7.996418 to US\$1.00 and SGD1.359573 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, mainland China, our results of operations and financial condition may be materially and adversely affected by significant regulatory developments in mainland China. Actions by the mainland China government can also significantly affect our business by, for example, placing limits on the ability of mainland China residents to travel or remit currency outside of mainland China or by restricting gaming-related marketing activities in mainland China. See “— D. Risk Factors — Risks Relating to Conducting Business and Operating in Macau — Policies, campaigns and measures adopted by the mainland China 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 mainland China 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 mainland China 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 mainland 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 mainland China 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 mainland China and uncertainties in the legal systems in mainland China may expose us to risks. In addition, rules and regulations in mainland China can change quickly with little advance notice” and “— The mainland China government may influence our operations in Macau or elsewhere or intervene in our offerings conducted overseas or foreign investments in us. Its oversight and discretion over our business could result in material adverse 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.

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 Mainland China, Hong Kong and Macau 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 mainland China, Hong Kong and Macau 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 mainland China 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 mainland 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 mainland China. In the absence of required certificates, permits or licenses, governmental authorities could impose material sanctions or penalties on us.

Furthermore, in connection with our issuance of securities to foreign investors, under current mainland China laws, regulations and regulatory rules, as of the date of this annual report, we do not believe we are currently 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 mainland China authority or received any denial to do so. However, the mainland China 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) we incorrectly conclude that certain regulatory permissions and approvals are not required or (ii) applicable laws, regulations, or interpretations change in a way that requires us to complete such filings or obtain such approvals in the future, and (iii) 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 mainland China regulatory agencies. These regulatory agencies may impose fines and penalties on us, limit our operations, limit our ability to pay dividends outside of mainland China, limit our ability to list on stock exchanges outside of mainland 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 International Holdings Limited has been transferred to our financing and operating subsidiaries through the use of equity capital contributions or intercompany loan arrangements. In 2024, 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 17 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, mainland China, our results of operations and financial condition may be materially and adversely affected by significant regulatory developments in mainland China. Actions by the mainland China government can also significantly affect our business by, for example, placing limits on the ability of mainland China residents to travel or remit currency outside of mainland China or by restricting gaming-related marketing activities in mainland China. See “— D. Risk Factors — Risks Relating to Conducting Business and Operating in Macau — Policies, campaigns and measures adopted by the mainland China 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 mainland China 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 mainland China 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 mainland 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 mainland China 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 mainland 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 mainland China and uncertainties in the legal systems in mainland China may expose us to risks. In addition, rules and regulations in mainland China can change quickly with little advance notice” and “— The mainland China government may influence our operations in Macau or elsewhere or intervene in our offerings conducted overseas or foreign investments in us. Its oversight and discretion over our business could result in material adverse 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.

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 mainland China, Hong Kong and Macau 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 mainland China, Hong Kong and Macau 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 mainland China 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 mainland 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 mainland China. In the absence of required certificates, permits or licenses, governmental authorities could impose material sanctions or penalties on us.

Furthermore, in connection with our issuance of securities to foreign investors, under current mainland China laws, regulations and regulatory rules, as of the date of this annual report, we do not believe we are currently 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 mainland China authority or received any denial to do so. However, the mainland China 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) we incorrectly conclude that certain regulatory permissions and approvals are not required or (ii) applicable laws, regulations, or interpretations change in a way that requires us to complete such filings or obtain such approvals in the future, and (iii) 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 mainland China regulatory agencies. These regulatory agencies may impose fines and penalties on us, limit our operations, limit our ability to pay dividends outside of mainland China, limit our ability to list on stock exchanges outside of mainland 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 International Holdings Limited has been transferred to our financing and operating subsidiaries through the use of equity capital contributions or intercompany loan arrangements. In 2024, 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 17 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 mainland China, and policies, campaigns and measures adopted by the mainland China and/or Macau governments from time to time.
- Risks relating to inadequate insurance coverage.

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 602 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. For example, the Studio City Casino ceased the VIP rolling chip operations in late October 2024.

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 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 or the performance of our Phase 2 project.

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;
- 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 deducts gaming taxes and the costs of operation of Studio City Casino. We receive the residual gross gaming revenues and recognize these amounts as our revenue from casino contract.

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 mainland China travel and visa policies;
- dependence on the gaming, tourism and leisure market in Macau;
- limited diversification of our business and sources of revenue;
- a decline in air, land or ferry passenger traffic to Macau from mainland China or other areas or countries due to higher ticket costs, fears concerning travel, travel restrictions or otherwise, including as a result of outbreaks of widespread health epidemics or pandemics;
- a decline in economic and political conditions in Macau, mainland 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 mainland 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 mainland China or Macau governments;
- any enforcement or legal measures taken by the mainland China 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 or violent criminal activities, affecting Macau;

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- 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.”

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, US\$8,400 and US\$2,000 in 2024, 2023 and 2022, 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, a VIP rolling chip segment may be particularly susceptible to certain changes in government policies, regulations and enforcement actions. For instance, the anti-corruption campaign of the mainland China government has had a negative effect on the VIP rolling chip segment in Macau. In addition, in November 2021, the Court of Final Appeal in Macau issued a final unappealable decision that a gaming operator is jointly liable with a gaming promoter for the refund of funds deposited with such gaming promoter and the Macau authorities arrested executives from a gaming promoter for alleged illegal overseas gaming related activities. In January 2022, the Macau authorities also arrested an executive from another gaming promoter and certain related individuals and certain of these individuals were sentenced to jail terms in addition to the payment of monetary compensation to the Macau government in January 2023. 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, 2024, we had a net loss attributable to Studio City International Holdings Limited in the amount of US\$96.7 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, 2024, we had total principal amount of outstanding indebtedness of US\$2.17 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 2021 Studio City Senior Secured Credit Facility and the 2024 Studio City Senior Secured Credit Facility, 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, 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. The continued pressure on the mainland China property market since 2022, as well as the deterioration in the mainland China economy post-COVID-19 also negatively impacted the market for high yield bonds of issuers in other sectors connected with mainland 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 significant 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, 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 were a number of well-publicized attacks on large corporations, including several in our industry. Cyber-attacks are becoming increasingly more difficult to anticipate and prevent due to their rapidly evolving nature and, as a result, 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. For example, a new Cybersecurity Law was introduced in Macau in 2019 which also applies to our businesses in Macau. 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 credit card numbers and personal information in various information systems relating to our customers, suppliers and staff, and such

personal information may be collected and/or used in, and transmitted to or from, multiple jurisdictions. We may be subject to a variety of cybersecurity, data privacy, data protection and other laws and regulations related to data, including those relating to the collection, use, sharing, retention, security, disclosure, and transfer of confidential and private information, such as personal information and other data. These laws and regulations apply not only to third-party transactions, but also to transfers of information within our organization. These laws and regulations may restrict our 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.

Our customers, suppliers and staff have a high expectation that we will adequately protect their personal information. Such collection, use and/or transmission of personal information are governed by privacy laws and regulations and such laws and regulations change often, vary significantly by jurisdiction and often are newly enacted. For example, the European Union (EU)'s General Data Protection Regulation, or the GDPR, requires companies to meet new and more stringent requirements regarding the handling of personal information. The GDPR may also capture data processing by non-EU firms with no EU establishment if, for example, they conduct direct marketing that specifically targets individuals in the EU. In addition, on November 1, 2023, 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-Macau 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, 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, and their interpretation and application may be uncertain. For example, the Cybersecurity Administration of China, or CAC, introduced the Management Measures for Reporting Cybersecurity Incidents (Draft for Comment) in December 2023, 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 mainland China 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 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 mainland China 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.

We do not have any operations or maintain any office or personnel in mainland China. We have not collected, stored, or managed any personal information in mainland China. As such, we currently do not expect the draft measures by the CAC or other recent regulations to have an impact on our business or results of operations. However, we still face uncertainties regarding the interpretation and implementation of these laws and regulations in the future. Cybersecurity review could result in disruption in our operations, negative publicity with respect to our Company, and diversion of our managerial and financial resources. Therefore, potential cybersecurity review, if applicable to us, could materially and adversely affect our business, financial condition, and results of operations.

In addition, the mainland 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 mainland China Personal Information Protection Law, which was promulgated by the Standing Committee of the 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. Although we have not collected, stored or managed any personal information in mainland China, given that there remain uncertainties regarding the further interpretation and implementation of those laws and regulations, if they are deemed to be applicable to companies operating in Macau, like us, 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.

Compliance with applicable privacy laws, regulations and standards may increase our operating costs and/or adversely impact our ability to market our products, properties and services to our customers and guests. For example, these laws, regulations and standards may restrict information sharing in ways that make it more difficult to obtain or share information concerning at risk individuals. In addition, non-compliance with applicable privacy laws, regulations and standards by us (or in some circumstances non-compliance by third parties engaged by us) may result in damage of reputation and/or subject us to fines, penalties, payment of damages, lawsuits, criminal liability or restrictions on our use or transfer of data. Failure to meet the GDPR requirements, for example, may result in penalties of up to four percent of worldwide revenue.

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 is 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. Furthermore, developing, acquiring and maintaining such tools and solutions may require significant capital and result in higher costs than anticipated. 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, may have a material and adverse effect on our business, brand and reputation. Such negative publicity 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 of large-scale properties can be dangerous. Construction 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. For example, in December 2021, there was a fatality at the Studio City Phase 2 construction site and certain façade related works were suspended for approximately two weeks. We believe, and require that, our contractors take safety precautions that are consistent with industry practice, but these safety precautions may not be adequate to prevent serious personal injuries or loss of life, damage to property or delays. However, if accidents occur during construction 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 our projects may face difficulties and competition in finding qualified construction labor and managers as more projects commence construction in Macau and as substantial construction activity continues in mainland China as well as due to the imposition of travel restrictions. Immigration and labor regulations as well as travel restrictions in Macau or mainland China may cause our contractors to be unable to recruit sufficient laborers from mainland 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 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. As an example, COVID-19 outbreaks resulted in many governments around the world, including in Macau, placing quarantines disallowing residents to travel into or outside of the quarantined area, enforcing business closures and other restrictions. 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 counter-parties. 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 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.

While we and our affiliated companies have adopted and implemented an anti-corruption compliance program covering both commercial bribery and public corruption which includes internal policies, procedures

and training aimed to prevent and detect anti-corruption compliance issues and risks, and procedures to take remedial action when compliance issues are identified, we cannot assure you that our employees, consultants, contractors and agents, and those of our affiliates, will adhere to the anti-corruption compliance program, 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 denominated in U.S. dollars, and the costs associated with repaying such debt and servicing interest payments are 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.

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, mainland China 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, 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 mainland China, the United States and the EU, 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 mainland China-based technology companies, including ZTE Corporation, Huawei Technologies Co., Ltd., or Huawei, Tencent Holdings Limited, certain of their respective affiliates, and other mainland China-based technology companies. These mainland 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 mainland China. The United States has also in certain circumstances threatened to impose further sanctions, trade embargoes, and other heightened regulatory requirements on mainland China and mainland 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. 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 mainland China's competition laws may result in fines, constraints on our business and damage to our reputation.

In recent years, the mainland China 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 mainland China 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 mainland China 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, mainland 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. 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 and is expected to open 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, with further renovations ongoing in the second phase of The Londoner Macau, which is expected to be complete in the second quarter of 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, 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 Sri Lanka, Japan and the United Arab Emirates, among others. Certain other markets may in the future legalize casino gaming, including Taiwan and Thailand. 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 the China area offering legal casino gaming. Although the mainland China government has strictly enforced its regulations prohibiting domestic gaming operations, there may be casinos in parts of mainland China that are operated illegally and without licenses. In addition, there is no assurance that the mainland China government will not in the future permit gaming operations in mainland China. 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, the Macau government set a cap on commission payments to gaming promoters of 1.25% of net rolling. Such cap on commission payments was confirmed by the Macau government in 2022. On June 22, 2022, Law no. 7/2022, which amends Law no. 16/2001, or the Macau Gaming Operations Law, was published and on December 19, 2022, Law no. 16/2022, the new Gaming Activities Law, which replaces Administrative Regulation no. 6/2022, or the Gaming Promoter Regulation, was published. These laws 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, location requirements for sites with gaming machine lounges, 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."

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\$875,392) for gaming tables and MOP300,000 (equivalent to approximately US\$37,517) 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, Macau Health Bureau, Macau Labor Bureau, Macau Construction Works Bureau, Macau Fire Department, Macau Finance Department and Macau 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 conducts 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 mainland China 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 we will not be subject to any accusation or investigation related to any possible money laundering activities despite the anti-money laundering measures we have adopted and undertaken or that we will adopt and undertake in the future.

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 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 2024, Melco Resorts announced its expansion into Sri Lanka with the casino operations of City of Dreams Sri Lanka expected to open in the third quarter of 2025. 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.
- *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 Macau, mainland 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 Macau and

mainland China. A slowdown in economic growth in mainland China could adversely impact the number of visitors from mainland China to Studio City as well as the amount they are willing to spend in our hotel towers, restaurants and other facilities as well as at 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 mainland China in recent years, including the government's efforts to cool mainland 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, mainland China's common prosperity drive which started in 2021 aims to narrow the nation's wealth gap by reducing wealth inequality. Any changes in the income tax rate or government policy which discourages conspicuous consumption may affect the spending patterns of our patrons. All of these measures as well as a number of measures taken by the mainland China government in recent years to control the rate of economic growth, including those designed to tighten credit and liquidity, may have contributed to a slowdown of mainland China's economy. According to preliminary estimates from the National Bureau of Statistics of China, mainland China's GDP growth rate was 5.0% in 2024, which was lower than the 5.4% in 2023. Any slowdown in mainland 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 mainland 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 mainland China and the recent escalation of trade tariffs and related retaliatory measures between these two countries and globally.

Tensions between the United States and mainland China have continued to escalate in connection with ongoing trade disputes as well as other political factors. Continued rising political tensions 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. The introduction of the National Security Law for Hong Kong and the U.S. Department of State's statements in reaction to it have resulted in a further deterioration in the Sino-U.S. bilateral relationship, which could negatively affect the mainland China economy and its demand for gaming and leisure activities.

Elevated inflation rates globally and in places where we operate may not only weaken discretionary spending of our customers but also increase our operating costs due to possible hikes 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 2024 to the current rate of 4.50%. The direction that the U.S. Federal Reserve will take with regards to its monetary policies 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 impacts 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.

The continued pressure on the mainland China property market since 2022, as well as the deterioration in the mainland China economy post-COVID-19, also negatively impacted the market for high yield bonds of issuers in other sectors connected with mainland China, including those issued by Macau gaming operators and associated entities. Other factors affecting discretionary consumer spending, including amounts 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 mainland China. There have been concerns over conflicts, unrest and terrorist threats in the Ukraine, Middle East, Europe and Africa, including, but not limited to, the Israel-Hamas conflict, 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 the Israel-Hamas conflict 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 conflicts involving the United States and Iran and 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 mainland 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\$2,734) 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\$13,668) on the aggregate amount that can be withdrawn overseas from mainland China bank accounts was set by the mainland China government. In addition, the mainland China 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\$15,007) 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 mainland China 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.

Policies, campaigns and measures adopted by the mainland China 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 Macau or from mainland China, including due to the outbreak of infectious diseases, such as COVID-19 outbreaks;

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- austerity measures which may be imposed by the mainland China 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 mainland China and/or Macau governments;
- measures taken by the mainland China 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, mainland China. Any travel restrictions imposed by mainland China, such as the travel restrictions imposed due to COVID-19 outbreaks, could negatively affect the number of patrons visiting Studio City from mainland 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. Mainland 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 mainland China government has restricted and then loosened IVS travel frequently, it has indicated its intention to maintain tourism development by opening the IVS to more mainland 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. For instance, as a result of the COVID-19 outbreak, the mainland China government suspended the issuance of group and individual travel visas from mainland China to Macau. The IVS program was resumed by the mainland China government on September 23, 2020, with e-Visa applications being accepted from November 1, 2022. A decrease in the number of visitors from mainland China could adversely affect Studio City’s results of operations.

In addition, certain policies and campaigns implemented by the mainland China 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 depends 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 mainland China government in recent years have resulted in an overall dampening effect on the behavior of mainland China consumers and a decrease in their spending, particularly in luxury good sales and other discretionary spending. For example, the mainland China government’s ongoing anti-corruption campaign has had an overall dampening effect on the behavior of mainland China consumers and their spending patterns both domestically and abroad. In addition, the number of patrons visiting Studio City may be affected by the mainland China government’s focus on deterring marketing of gaming to mainland 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 mainland China in connection with gaming-related promotional activities in mainland China which created regulatory uncertainty on marketing activities in mainland China. Amendments to mainland China’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. Furthermore, in November 2021, the Court of Final Appeal in Macau issued a final unappealable decision that a gaming operator is jointly liable with a gaming promoter for the refund of funds deposited with such gaming promoter and the Macau authorities arrested executives from a gaming promoter for alleged illegal overseas gaming related activities. In January 2022, the Macau authorities also arrested an executive from another gaming promoter and certain related individuals and certain of these

individuals were sentenced to jail terms in addition to the payment of monetary compensation to the Macau government in January 2023. The mainland China government has also developed its digital currency and has performed certain test trials in its application within mainland 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 mainland China 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. For example, the Macau gaming law amended in 2022 requires the payment of a special premium if gross gaming revenue falls below the gross gaming revenue threshold set by the Macau government. 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 mainland China and uncertainties in the legal systems in mainland China may expose us to risks. In addition, rules and regulations in mainland China can change quickly with little advance notice.

We are based in and have all of our operations in Hong Kong and Macau. In addition, as a significant number of our customers come from, and are expected to continue to come from, mainland 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 mainland China. Gaming related activities in mainland China, including marketing activities, are strictly regulated by the mainland China government and subject to various mainland China laws and regulations. The mainland China legal system continues to rapidly evolve and the interpretations of many laws, regulations and rules are not always uniform. Rules and regulations in mainland China can change quickly with little advance notice. In addition, the mainland China 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 mainland China 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 mainland China is or will be consistent with the interpretation and application by the mainland China 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 mainland 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 mainland China laws and regulations.

In addition, mainland China administrative and court authorities have significant discretion in interpreting and implementing statutory terms. Such discretion of the mainland China administrative and court authorities increases the uncertainties in the mainland China legal system and makes it difficult to evaluate the likely outcome of any administrative and court proceedings in mainland China and the level of legal protection we enjoy than in other legal systems. Any litigation or proceedings in mainland 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 mainland China government may influence our operations in Macau or elsewhere or intervene in our offerings conducted overseas or foreign investments in us. Its oversight and discretion over our business could result in material adverse changes in our operations and the value of our ordinary shares and ADSs.

The mainland China government has exercised and continues to exercise substantial control over virtually every sector of the mainland China economy through evolving development, interpretation and implementation of applicable laws and regulations. The mainland China government may also enact new laws, rules or regulations which may influence our operations in Macau or elsewhere at any time as the mainland China government deems appropriate to further regulatory, political and societal goals, or may exert more control over offerings conducted overseas and/or foreign investment in mainland China-based issuers, which could result in a material change in our operations and/or the value of our ordinary shares. Additionally, the mainland China government has in the past made statements indicating an intent to exert more oversight and control over offerings by mainland China-based issuers that are conducted overseas and/or foreign investment in mainland 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. 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 mainland China Data Security Law.

For example, on February 17, 2023, the CSRC released a set of regulations, 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 any 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, significant uncertainties exist as to how the Trial Administrative New Measures and the related guidelines will be interpreted and implemented since they are newly published. 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 mainland China government authorities.

If (i) we incorrectly conclude that certain regulatory permissions and approvals are not required or (ii) applicable laws, regulations, or interpretations change in a way that requires us to complete such filings or obtain such approvals in the future, and (iii) 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 mainland China 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 mainland 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 will 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 Israel-Hamas conflict, the military conflict between Russia and Ukraine and other 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, including COVID-19 outbreaks, among other things, have negatively affected 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 amounts 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 mainland 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 between mainland China

and Macau 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 further outbreak of COVID-19 or an outbreak of 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 mainland 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 or other natural disasters in Macau, 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 mainland China 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.

On February 20, 2020, we announced that we received a notice from the New York Stock Exchange notifying us that we were not in compliance with Section 802.01A of the New York Stock Exchange Listed Company Manual, or the NYSE Manual, which requires the number of total shareholders of the Company’s capital stock be no less than 400 shareholders, or the NYSE Notice. Pursuant to the NYSE Notice, the Company became subject to the procedures set forth in Sections 801 and 802 of the NYSE Manual and was requested to submit a business plan within 90 days of receipt of the NYSE Notice that demonstrated how we expected to return to compliance with the minimum total shareholder requirement within a maximum period of 18 months of receipt of the notice.

In accordance with the timing requirement under the NYSE Notice, we submitted a business plan in May 2020, or the NYSE Business Plan. On July 2, 2020, we were notified the NYSE Business Plan was accepted by the New York Stock Exchange. In such notification, the New York Stock Exchange also notified us that we were not in compliance with the requirement under Section 802.01A of the NYSE Manual which requires 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, or the Additional NYSE Non-Compliance, and subject to the procedures set forth in Sections 801 and 802 of the NYSE Manual for the Additional NYSE Non-Compliance. The NYSE Business Plan addressed both the non-compliance contained in the NYSE Notice and the Additional NYSE Non-Compliance.

On May 7, 2021, the NYSE notified the Company that it had regained compliance with the continued listing requirement contained in the initial NYSE Notice. Subsequently on July 30, 2021, the NYSE further notified the Company that it had regained compliance with the Additional NYSE Non-Compliance.

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.

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 14, 2025, the trading prices of our ADSs ranged from US\$1.52 to US\$28.59 per ADS and the closing sale price on March 14, 2025 was US\$3.75 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 mainland 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 mainland 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;

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- 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 covers 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 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 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 depositary 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 depositary. If a lawsuit is brought against us and/or the depositary 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 depositary 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 depositary 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 depositary 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 depositary 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 depositary 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.

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, 2024, 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 17 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 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 requiring insiders to file public reports of their stock ownership and trading activities and 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.

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.

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, 2024. 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 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. 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. The agreement reached by 137 of the 140 members of the OECD’s Inclusive Framework on BEPS calls for law enactment by OECD and G20 members in 2022 to take effect in 2023 and 2024. 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 and 2024. The model rules and commentary allow the OECD’s Inclusive Framework members to begin implementing the Pillar Two rules in accordance with the agreement reached in October 2021. Pillar Two has been enacted or substantively 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 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 602 gaming machines available for operation. The Gaming Operator operated an average of approximately 251 gaming tables and 709 gaming machines in 2024 at the Studio City Casino, compared to an average of approximately 246 gaming tables and 661 gaming machines in 2023 and an average of approximately 277 gaming tables and 700 gaming machines in operation in 2022. 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 38,500 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, 2024, 2023 and 2022 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 total operating gross floor area of 28,784.3 square meters, located on the ground, first and second floors of Studio City. Studio City Casino catered exclusively to mass market patrons until it launched its VIP rolling chip operations in November 2016. VIP rolling chip operations ceased in late October 2024. For the years ended December 31, 2024, 2023 and 2022, Studio City Casino's gross gaming revenues was US\$1.31 billion, US\$0.91 billion and US\$0.17 billion, respectively.

Studio City Casino had an average of approximately 251 gaming tables and 709 gaming machines in operation in 2024, compared to an average of approximately 246 gaming tables and 661 gaming machines in operation in 2023. 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 on cultivating further growth in the premium mass and mass market segments at the Studio City Casino and enhancing our differentiated non-gaming amenities to complement our gaming operations.

Mass Market Segment

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.

Studio City Casino’s mass market table games drop and hold percentage were US\$3.68 billion and 30.6% in 2024, respectively, US\$2.87 billion and 27.3% in 2023, respectively, and US\$0.46 billion and 28.5% in 2022, respectively. As a result, Studio City Casino had gross gaming revenue from mass market table games of US\$1.13 billion, US\$0.78 billion and US\$0.13 billion in 2024, 2023 and 2022, respectively. Studio City Casino’s gaming machine handle and gaming machine win rate were US\$3.41 billion and 3.3% in 2024, respectively, US\$2.48 billion and 3.3% in 2023, respectively, and US\$0.66 billion and 2.8% in 2022, respectively. As a result, Studio City Casino had gross gaming revenue from gaming machine of US\$111.7 million, US\$82.8 million and US\$18.6 million in 2024, 2023 and 2022, respectively. Average net win per gaming machine per day in 2024, 2023 and 2022 was US\$431, US\$343 and US\$75, 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 Segment

VIP rolling chip operations at the Studio City Casino ceased in late October 2024. 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, US\$2.79 billion, 1.65% and US\$46.0 million, respectively, in 2023 and US\$0.84 billion, 2.56% and US\$21.4 million, respectively, in 2022.

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,		
	2024	2023	2022
Average daily rate (US\$)	165	153	111
REVPAR (US\$)	159	137	31
Occupancy rate	96%	90%	28%

In 2025, Studio City’s Star Tower garnered the Forbes Travel Guide Five-Star recognition for the eighth consecutive year, while Epic Tower and The Spa at Epic Tower earned their inaugural 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

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 38,500 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.

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 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 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.

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.

Prior to the cessation of VIP rolling chip operations at the Studio City Casino in late October 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.

We assess and evaluate our focus on different market segments from time to time and adjust our operations accordingly.

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:

- 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;
- Studio City was recognized as home to one of the World's Most Beautiful Hotels by UNESCO's World Architecture & Design Award, the Prix Versailles, in 2024. This honor was awarded to W Macau – Studio City, which stands out among 16 recently opened or reopened hotels that have made an extraordinary impact, according to Prix Versailles;

- In 2025, Studio City's Star Tower received the Forbes Travel Guide Five-Star recognition for the eighth consecutive year, while Epic Tower and The Spa at Epic Tower earned their inaugural Forbes Travel Guide Five-Star recognition;
- Zensa Spa was awarded the Forbes Travel Guide Five-Star recognition for the seventh time in 2025 and was recognized as the Best Luxury Day Spa at the International Spa & Beauty Awards 2024;
- Its signature Cantonese restaurant Pearl Dragon received its seventh Forbes Travel Guide Five-Star recognition in 2025 and received one-MICHELIN-starred establishment rank for the ninth consecutive year in the MICHELIN Guide Hong Kong Macau 2025. It garnered the Platinum award at the Trip.Best Gourmet Awards 2024 and was selected as one of the top 20 restaurants in Macau in the Tatler Dining Awards 2024. Additionally, it was honored with the "Best Chinese Cuisine in Asia – Excellence Award" by 2022 Haute Grandeur Global Restaurant Awards; 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.

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, with further renovations ongoing in the second phase of The Londoner Macau which is expected to be complete in the second quarter of 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.

Melco Resorts Macau, 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\$875,392) for gaming tables and MOP300,000 (equivalent to approximately US\$37,517) 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.

Law no. 7/2022, which amends the Macau Gaming Operations Law (Law no. 16/2001), came into force in June 2022. Principal changes under the amended law include, among others, the following:

- the number of gaming concessions that may be awarded by the Macau government is up to six;
- the term of the concessions may be up to ten years, subject to extension(s) of up to three years in total;
- the registered share capital of each concessionaire shall be at least MOP5 billion (US\$625.3 million);
- the managing-director of each concessionaire must be a Macau permanent resident and hold at least 15% of the concessionaire's registered share capital;
- significant transactions should be notified by concessionaires to the Macau government in advance;
- an administrative sanctions regime is to be established;
- national security is one of the main objectives of the Macau gaming legal framework and a concession may be terminated without compensation in case it is considered a threat to national security;
- a per gaming table and per gaming machine special premium is due should gross gaming revenue fall below the gross gaming revenue threshold set by the Macau government;
- the Macau government sets the maximum number of gaming tables and gaming machines allocated to each concessionaire and the allocation of such gaming tables and gaming machines to a specific casino is subject to the approval of the Macau government;
- the Macau government may reduce the number of gaming tables or gaming machines in certain circumstances;
- the amount of gaming chips of each concessionaire in circulation is subject to Macau government approval; and
- 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.

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 four major gaming facilities in metro Manila, including City of Dreams Manila, with a fifth gaming facility scheduled to open in late 2025. 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, although they are relatively small compared to those in Macau, and major gaming facilities in Australia located in Melbourne, Perth, Sydney and the Gold Coast.

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. In addition, several other Asian countries are considering or are in the process of legalizing gambling and establishing casino-based entertainment complexes, including Thailand and Sri Lanka.

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\$313) 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\$487,718) 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.

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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.

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\$625.3 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\$312.6 million) regarding internal movement of funds and MOP500 million (equivalent to approximately US\$62.5 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\$313) 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\$875,392) annual gross gaming revenue for gaming tables and MOP300,000 (equivalent to approximately US\$37,517) 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\$12,506) and MOP5,000,000 (equivalent to approximately US\$625,280) 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 cancelation 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\$1.3 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.

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\$250,112) up to MOP5,000,000 (equivalent to approximately US\$625,280) on concessionaires that do not comply with the cap and other fines, ranging from MOP600,000 (equivalent to approximately US\$75,034) up to MOP1,500,000 (equivalent to approximately US\$187,584) 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.

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\$2.3 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\$1,876). 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\$1,876) for a period of 100 to 1,200 days (i.e., up to MOP18,000,000 (equivalent to approximately US\$2.3 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;
- 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\$1,000) in cases of occasional transactions and MOP120,000 (equivalent to approximately US\$15,007) 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\$62,528) 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 ensure that all relevant employees 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\$15,007) 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\$62,528)). 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 is MOP7,072 (equivalent to approximately US\$884) 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, 2024, 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, will have 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.

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 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.

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\$3.8 million) per annum fixed premium;
- MOP300,000 (equivalent to approximately US\$37,517) per annum per VIP gaming table;
- MOP150,000 (equivalent to approximately US\$18,758) 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\$875,392) and the average gross gaming revenue of the gaming machines does not reach the annual minimum of MOP300,000 (equivalent to approximately US\$37,517). 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 approximately 20% of its initial non-gaming investment, or MOP2,003.0 million (equivalent to approximately US\$250.5 million), in the event Macau's annual gross gaming revenue reaches MOP180.0 billion (equivalent to approximately US\$22.51 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;
- 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\$625,279,969) 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\$125,055,994) 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;
- 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);

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- 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\$12,505,599) 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 one 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.

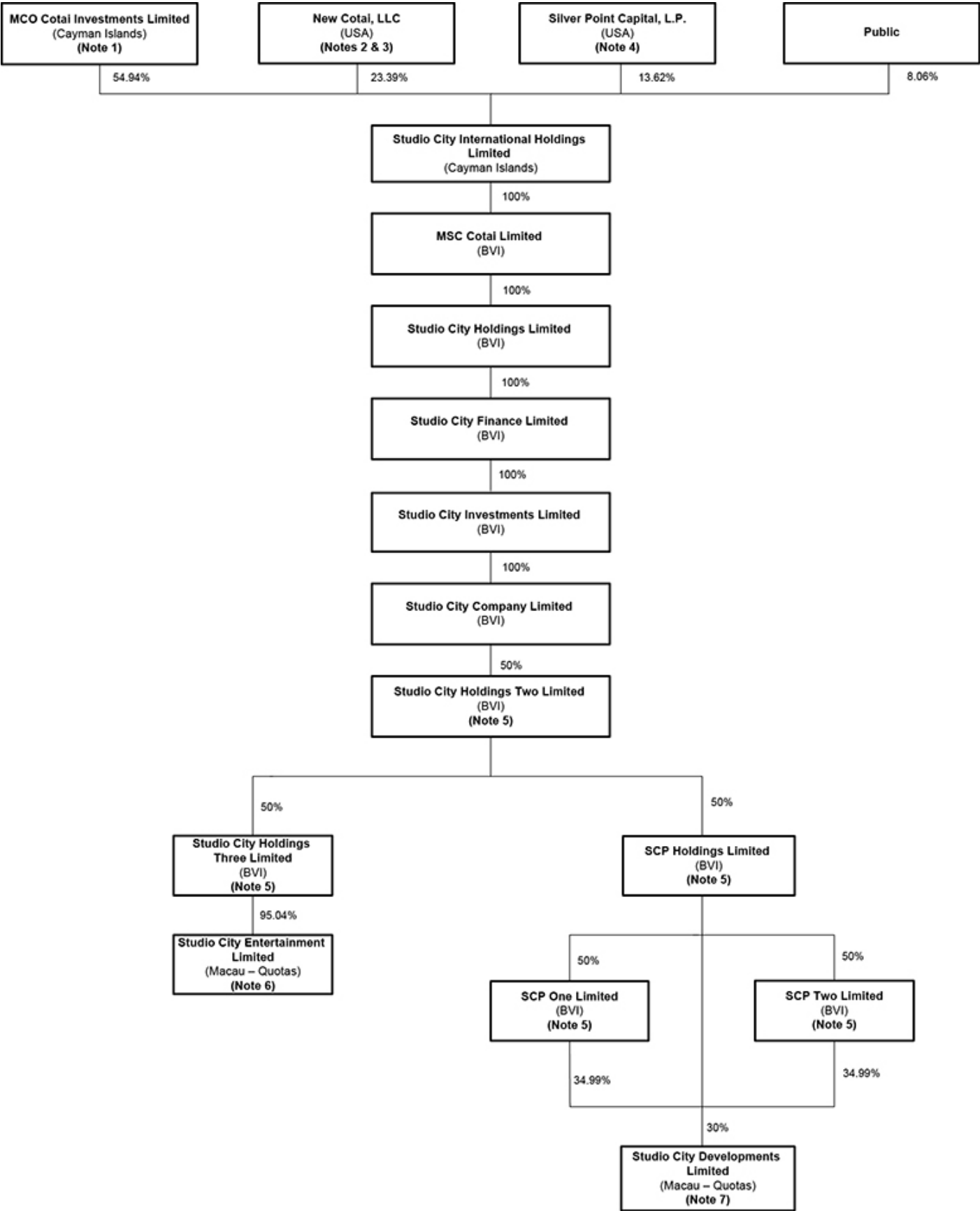
In January 2017, the Macau government granted an extension of the Macau complementary tax exemption for our subsidiary, Studio City Entertainment, through 2021, on profits generated from income received from the Gaming Operator, to the extent that such income results from gaming operations within Studio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

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 15, 2025:



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, 2024.
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 and Other Long-lived Assets” 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, 2024, 2023 and 2022, we operated in one geographical area, Macau, where we generated our revenue and where our long-lived assets were located.

Our operations in 2024 benefited from the continued recovery in inbound tourism in Macau during the year, and the ramp up of operations following the opening of Studio City Phase 2 starting in April 2023, which led to an increase in revenue from casino contract and higher non-gaming revenues. According to the DSEC, visitor arrivals to Macau increased by 23.8% on a year-over-year basis in 2024 as compared to 2023 while, according to the DICJ, gross gaming revenues in Macau rose by 23.9% on a year-over-year basis in 2024.

Summary of Financial Results

For the year ended December 31, 2024, our total operating revenues were US\$639.1 million, an increase of 43.5% from US\$445.5 million of total operating revenues for the year ended December 31, 2023. Net loss attributable to Studio City International Holdings Limited for the year ended December 31, 2024 was US\$96.7 million, as compared to US\$133.5 million for the year ended December 31, 2023. The improvement was primarily attributable to the continued recovery in inbound tourism in Macau during 2024 and the ramp up of operations following the opening of Studio City Phase 2 starting in April 2023.

	Year Ended December 31,		
	2024	2023	2022
	(in thousands of US\$)		
Total operating revenues	\$ 639,145	\$ 445,538	\$ 11,548
Total operating costs and expenses	(600,997)	(474,580)	(288,764)
Operating income (loss)	38,148	(29,042)	(277,216)
Net loss attributable to Studio City International Holdings Limited	\$ (96,726)	\$(133,517)	\$(326,451)

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 wagered and lost by the rolling chip market segment.
- *Rolling chip win rate*: rolling chip table games win (calculated before discounts, commissions, non-discretionary incentives (including the point-loyalty programs) 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 of table games drop in the mass market table games segment.

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- *Mass market table games hold percentage*: mass market table games win (calculated before discounts, commissions, non-discretionary incentives (including the point-loyalty programs) 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.
- *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, non-discretionary incentives (including the point-loyalty programs) 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 non-discretionary incentives (including the point-loyalty programs) 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 segment, 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 wagered and lost. 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 segment than the hold percentage in the mass market table games segment.

Studio City Casino's expected rolling chip win rate is 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.

In 2022, table games and gaming machines that were not in operation due to government mandated closures or social distancing measures in relation to the COVID-19 outbreak have been excluded, while room statistics also exclude rooms that were temporarily closed or provided to staff members due to the COVID-19 outbreak.

Year Ended December 31, 2024 Compared to Year Ended December 31, 2023

Revenues

Our total operating revenues were US\$639.1 million in 2024, an increase of US\$193.6 million, or 43.5%, from US\$445.5 million of total operating revenues in 2023. The improvement was primarily attributable

to the continued recovery in inbound tourism in Macau during the year, and the ramp up of operations following the opening of Studio City Phase 2 starting in April 2023, which led to an increase in revenue from casino contract and higher 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\$259.8 million in 2024, compared with US\$155.5 million in 2023. The improvement was primarily attributable to the continued recovery in inbound tourism in Macau during the year, and the ramp up of operations following the opening of Studio City Phase 2 starting in April 2023.

Studio City Casino generated gross gaming revenues of US\$1.31 billion and US\$0.91 billion in 2024 and 2023, 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\$1.13 billion in 2024 from US\$0.78 billion in 2023, attributable to an increase in mass market table games drop to US\$3.68 billion in 2024 from US\$2.87 billion in 2023, and an increase in mass market table games hold percentage to 30.6% in 2024 from 27.3% in 2023.

Gaming machine revenue increased to US\$111.7 million in 2024 from US\$82.8 million in 2023. This increase is attributable to an increase of gaming machine handle to US\$3.41 billion in 2024 from US\$2.48 billion in 2023, with a stable gaming machine win rate at 3.3% in both 2024 and 2023. Average net win per gaming machine per day was US\$431 and US\$343 in 2024 and 2023, respectively.

Studio City Casino has strategically repositioned itself to focus on the premium mass and mass segments, and VIP rolling chip operations at Studio City Casino were transferred to City of Dreams in late October 2024. VIP rolling chip revenue increased to US\$77.1 million in 2024 from US\$46.0 million in 2023, attributable to an increase in VIP rolling chip win rate, partially offset by a decrease in VIP rolling chip volume. Studio City's VIP rolling chip volume decreased to US\$2.00 billion in 2024 from US\$2.79 billion in 2023. VIP rolling chip win rate increased to 3.85% in 2024 from 1.65% in 2023.

In 2024 and 2023, total gaming taxes and costs incurred in connection with the on-going operation of Studio City Casino deducted from gross gaming revenues were US\$1,055.0 million and US\$756.9 million, respectively, which included (i) gaming taxes imposed on the gross gaming revenues of US\$526.0 million and US\$364.9 million, respectively; (ii) the complimentary services provided by us to Studio City Casino's gaming patrons of US\$150.1 million and US\$113.9 million, respectively; (iii) shared administrative services and shuttle bus transportation services provided by us to Studio City Casino of US\$50.5 million and US\$36.4 million, respectively; and (iv) remaining costs of US\$328.4 million and US\$241.7 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\$49.0 million, or 43.8%, to US\$160.7 million in 2024 from US\$111.7 million in 2023. The increase was primarily attributable to the full year operation of two hotel towers opened in 2023 and an increased occupancy as a result of a year-over-year increase in inbound tourism in 2024. Studio City's average daily rate, occupancy rate and REVPAR were US\$165, 96% and US\$159, respectively, in 2024, as compared to US\$153, 90% and US\$137, respectively, in 2023.
- *Food and beverage, entertainment, mall and retail and other.* Our revenues generated from food and beverage, entertainment, mall and retail and other increased by US\$21.2 million, or 15.4%, to

US\$159.1 million in 2024 from US\$137.8 million in 2023, primarily attributable to the increase in business activities as a result of a year-over-year increase in inbound tourism in 2024, partially offset by lower revenues from residency concerts.

- *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\$19.1 million, or 47.1%, to US\$59.5 million in 2024 from US\$40.5 million in 2023.

Operating Costs and Expenses

Our total operating costs and expenses increased by US\$126.4 million, or 26.6%, to US\$601.0 million in 2024 from US\$474.6 million in 2023.

- *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\$5.9 million, or 20.3%, to US\$34.7 million in 2024 from US\$28.8 million in 2023. 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\$23.3 million, or 82.5%, to US\$51.6 million in 2024 from US\$28.3 million in 2023. The increase was primarily attributable to the full year operation of the two hotel towers opened in 2023 and 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, increased by US\$22.2 million, or 19.5% to US\$136.2 million in 2024 from US\$114.0 million in 2023. The increase was primarily attributable to the increase in payroll expenses and other operating costs arising from the increase in business activities and was in-line with higher revenues from food and beverage, entertainment, mall and retail and other for the year ended December 31, 2024.
- *General and administrative.* General and administrative expenses were US\$171.3 million and US\$115.2 million in 2024 and 2023, 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 2024 and the full year operation of Studio City Phase 2 which progressively opened in April and September of 2023.
- *Pre-opening costs.* Pre-opening costs were US\$0.8 million in 2024 as compared to US\$17.5 million in 2023. Such costs primarily represent personnel, marketing and other costs incurred prior to the opening of new or start-up operations. The higher pre-opening costs in 2023 were mainly related to the Studio City Phase 2 which two hotel towers progressively opened in April and September of 2023. Pre-opening costs in 2024 were mainly related to the Studio City Cinema opened in June 2024.
- *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 2024 and 2023.
- *Depreciation and amortization.* Depreciation and amortization expenses increased by US\$35.7 million, or 21.5%, to US\$201.7 million in 2024 from US\$166.1 million in 2023. The increase was primarily due to full year depreciation of the Studio City Phase 2 which two hotel towers progressively opened in April and September of 2023 and Studio City Cinema opened in June 2024.

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- *Property charges and other.* 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. Property charges and other expenses of US\$1.4 million in 2023 were primarily attributable to payroll costs as a result of departmental restructuring, the litigation claims related to junket player deposits and asset write-offs.

Operating Income/Loss

As a result of the foregoing, we had an operating income of US\$38.1 million in 2024, compared to an operating loss of US\$29.0 million in 2023.

Non-operating Expenses, Net

Net non-operating expenses consisted of interest income, interest expense, net of amounts capitalized, other financing costs, net foreign exchange (losses) gains, (loss) gain on extinguishment of debt and other non-operating expenses, net. We incurred total net non-operating expenses of US\$136.6 million in 2024, compared to US\$117.1 million in 2023.

- *Interest expense, net of amounts capitalized.* Interest expense were US\$133.6 million (nil capitalization) in 2024, compared to US\$129.6 million (net of amounts capitalized of US\$15.2 million) in 2023. The increase was primarily attributable to cessation of capitalization of interest expenses upon the substantial completion of construction of the Studio City Phase 2 project, partially offset by lower interest expense resulting from the 2025 Notes Tender Offer (2024) settled in April 2024 and the 2025 Notes Tender Offer (2023) settled in November 2023, as well as repurchases of the 2025 Notes during the years ended December 31, 2024 and 2023.
- *Other financing costs.* Other financing costs in 2024 were US\$0.6 million, which were associated with the 2021 Studio City Senior Secured Credit Facility and the 2024 Studio City Senior Secured Credit Facility, compared to US\$0.4 million in 2023, which were associated with the 2021 Studio City Senior Secured Credit Facility.
- *Loss/Gain on extinguishment of debt.* Loss on extinguishment of debt was US\$1.0 million in 2024 and was primarily associated with the 2025 Notes Tender Offer (2024), compared to gain on extinguishment of debt of US\$1.6 million in 2023, which was primarily associated with the 2025 Notes Tender Offer (2023).

Loss before Income Tax

As a result of the foregoing, we had a loss before income tax of US\$98.5 million in 2024, compared to US\$146.2 million in 2023.

Income Tax Expense/Benefit

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. Income tax benefit in 2023 was US\$0.1 million and was primarily attributable to a deferred income tax benefit. The effective tax rates in 2024 and 2023 were (7.5)% and 0.1%, respectively. Our effective tax rates in 2024 and 2023 differ from the statutory Macau Complementary Tax rate of 12%, where the Company's majority 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. 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\$9.1 million in 2024, compared to US\$12.6 million in 2023.

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\$96.7 million in 2024, compared to US\$133.5 million in 2023.

For a discussion of our results of operations for the year ended December 31, 2023 compared with the year ended December 31, 2022, see “Item 5. Operating and Financial Review and Prospects — A. Operating Results — Year Ended December 31, 2023 Compared to Year Ended December 31, 2022” of our annual report on Form 20-F for the fiscal year ended December 31, 2023, filed with the SEC on March 22, 2024.

Adjusted EBITDA

Our net income/loss before interest, taxes, depreciation, amortization, pre-opening costs, share-based compensation, property charges and other, other non-operating income and expenses, or Adjusted EBITDA, was US\$245.3 million, US\$159.2 million and negative US\$140.8 million for the years ended December 31, 2024, 2023 and 2022, 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,		
	2024	2023	2022
	<i>(in thousands of US\$)</i>		
Net loss attributable to Studio City International Holdings Limited	\$ (96,726)	\$(133,517)	\$(326,451)
Net loss attributable to participation interest	(9,105)	(12,567)	(34,856)
Net loss	(105,831)	(146,084)	(361,307)
Income tax expense (benefit)	7,352	(81)	382
Interest and other non-operating expenses, net	136,627	117,123	83,709
Depreciation and amortization	205,060	169,397	126,956
Property charges and other	1,318	1,407	5,799
Share-based compensation	—	—	361
Pre-opening costs	807	17,451	3,263
Adjusted EBITDA	<u>\$ 245,333</u>	<u>\$ 159,213</u>	<u>\$(140,837)</u>
Adjusted EBITDA margin ⁽¹⁾	38.4%	35.7%	(1,219.6)%

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

The Adjusted EBITDA for Studio City in 2024 and 2023 referred to in Melco Resorts' 2024 annual report on Form 20-F were US\$95.9 million and US\$47.6 million, respectively, more than the Adjusted EBITDA of Studio City contained in this report. The negative Adjusted EBITDA for Studio City in 2022 referred to in Melco Resorts' 2024 annual report on Form 20-F was US\$35.7 million less than the negative 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, 2024, we recorded US\$127.6 million in cash and cash equivalents. Further, we increased our available liquidity with the signing of the 2024 Studio City Senior Secured Credit Facility on November 29, 2024. Under the terms of the 2024 Studio City Senior Secured Credit Facility, lenders have made available to Studio City Company in an amount of HK\$1.945 billion (equivalent to US\$250.3 million) in revolving credit facilities for a term of five years. The HK\$233.0 million (equivalent to US\$30.0 million) revolving credit facility under the 2021 Studio City Senior Secured Credit Facility and HK\$1.945 billion (equivalent to US\$250.5 million) under the 2024 Studio City Senior Secured Credit Facility are available for future drawdown as of December 31, 2024, subject to certain conditions precedent.

As of December 31, 2024, restricted cash of US\$0.1 million primarily represented the cash collateral in relation to the 2021 Studio City Senior Secured Credit Facility.

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 2021 Studio City Senior Secured Credit Facility,

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the 2024 Studio City Senior Secured Credit Facility 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.

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,		
	2024	2023	2022
	<i>(in thousands of US\$)</i>		
Net cash provided by (used in) operating activities	\$ 189,899	\$ (18,894)	\$(178,775)
Net cash used in investing activities	(108,461)	(161,540)	(453,395)
Net cash (used in) provided by financing activities	(183,263)	(100,902)	643,109
Effect of exchange rate on cash, cash equivalents and restricted cash	1,419	(147)	(705)
(Decrease) increase in cash, cash equivalents and restricted cash	(100,406)	(281,483)	10,234
Cash, cash equivalents and restricted cash at beginning of year	228,170	509,653	499,419
Cash, cash equivalents and restricted cash at end of year	<u>\$ 127,764</u>	<u>\$ 228,170</u>	<u>\$ 509,653</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\$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.

We recorded net cash used in operating activities of US\$18.9 million in 2023, as compared to US\$178.8 million in 2022. The change was primarily attributable to improved performance of Studio City’s operations, partially offset by the increased working capital needed for operations.

Investing Activities

Net cash used in investing activities was US\$108.5 million in 2024, as compared to US\$161.5 million in 2023. Net cash used in investing activities was US\$453.4 million in 2022.

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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 and US\$453.4 million in 2023 and 2022, respectively, was primarily attributable to payments for acquisition of property and equipment of US\$156.8 million and US\$452.1 million, respectively.

Our capital expenditures on an accrual basis amounted to US\$64.7 million, US\$68.9 million and US\$427.7 million for the years ended December 31, 2024, 2023 and 2022, 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\$183.3 million in 2024, as compared to US\$100.9 million in 2023. Net cash provided by financing activities was US\$643.1 million in 2022.

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

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

Net cash provided by financing activities of US\$643.1 million in 2022 was attributable to the proceeds from the issuance of the 2027 Notes in the aggregate principal amount of US\$350.0 million and net proceeds from issuance of shares of US\$299.2 million, partially offset by payments of financing costs of US\$6.1 million.

Indebtedness

We enter into loan facilities and issue notes through our subsidiaries. The following table sets forth our gross indebtedness as of December 31, 2024:

	Issuer	As of December 31, 2024 (in thousands of US\$)
2021 Studio City Senior Secured Credit Facility	Studio City Company	\$ 129
2025 Notes	Studio City Finance	221,622
2027 Notes	Studio City Company	350,000
2028 Notes	Studio City Finance	500,000
2029 Notes	Studio City Finance	1,100,000
Total		<u>\$ 2,171,751</u>

Major changes in our indebtedness during the year ended December 31, 2024 are summarized below.

On April 8, 2024, Studio City Finance initiated the 2025 Notes Tender Offer (2024) to purchase up to an aggregate principal amount of US\$100,000,000 of the 2025 Notes. An aggregate principal amount of US\$307,150,000 of the 2025 Notes were tendered on the early tender date on April 19, 2024. On April 22, 2024,

Studio City Finance increased the aggregate principal amount of the 2025 Notes Tender Offer (2024) to US\$100,029,000. Studio City Finance accepted for purchase an aggregate principal amount of US\$100,029,000 of the 2025 Notes that were validly tendered (and not validly withdrawn) pursuant to the 2025 Notes Tender Offer (2024) and settled the purchase on April 24, 2024. In addition, Studio City Finance repurchased US\$75.3 million of the 2025 Notes during the year ended December 31, 2024.

On November 29, 2024, Studio City Company entered into the 2024 Studio City Senior Secured Credit Facility. Under the terms of the 2024 Studio City Senior Secured Credit Facility, lenders have made available to Studio City Company in an amount of HK\$1.945 billion (equivalent to US\$250.3 million) in revolving credit facilities for a term of five years and maturity date of November 29, 2029, with an option to increase the commitments in an amount not exceeding US\$100.0 million, subject to satisfaction of conditions precedent. The 2024 Studio City Senior Secured Credit Facility is secured and is supported by a guarantee from the Company, Studio City Investments and each subsidiary of Studio City Company. The Company intends to use the proceeds from the 2024 Studio City Senior Secured Credit Facility to refinance outstanding indebtedness and for general corporate and working capital purposes. No drawdowns have been made under this facility as of December 31, 2024.

Studio City Company has also entered into an amendment and restatement agreement, dated November 29, 2024, with, among others, Bank of China Limited, Macau Branch, in relation to the 2021 Studio City Senior Secured Credit Facility to, among other things, align certain terms of the 2021 Studio City Senior Secured Credit Facility with the terms of the 2024 Studio City Senior Secured Credit Facility. The other amendments include the extension of the maturity date from January 15, 2028 to August 29, 2029 and change of interest rates.

For further details of the above indebtedness, see note 10 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 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.

In March 2022, Studio City International Holdings Limited completed a US\$300 million private placement of shares. The net proceeds from this private placement were US\$299.2 million.

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

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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 2024, 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, 2024, we had capital commitments for the construction and acquisition of property and equipment totaling US\$16.5 million. In addition, we have contingent liabilities arising in the ordinary course of business.

Our total long-term indebtedness and other contractual obligations as of December 31, 2024 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⁾:					
2021 Studio City Senior Secured Credit Facility	\$ —	\$ —	\$ 0.1	\$ —	\$ 0.1
2025 Notes	221.6	—	—	—	221.6
2027 Notes	—	350.0	—	—	350.0
2028 Notes	—	—	500.0	—	500.0
2029 Notes	—	—	1,100.0	—	1,100.0
Fixed interest payments	119.2	202.6	58.5	—	380.3
Operating leases⁽²⁾	1.6	2.3	2.3	29.2	35.4
Construction costs and property and equipment retention payables	5.3	—	—	—	5.3
Other contractual commitments:					
Construction costs and property and equipment acquisition commitments	16.1	0.4	—	—	16.5
Total contractual obligations	\$ 363.8	\$ 555.3	\$ 1,660.9	\$ 29.2	\$ 2,609.2

(1) See note 10 to the consolidated financial statements included elsewhere in this annual report for further details on these debt facilities.

(2) See note 11 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 18 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 17 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 and campaigns implemented by the mainland China 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 mainland China or measures taken by the mainland China government, including criminalizing certain conduct, to deter marketing of gaming

activities to mainland China residents by foreign casinos, as well as any slowdown of economic growth in mainland China, 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;

- Policies and legislation implemented by the Macau government, including interpretations thereof, such as those relating to travel and visa policies;
- 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 integrated resorts 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 precedence 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 or 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, 2024 and 2023, we had net property and equipment of US\$2.65 billion and US\$2.78 billion, representing 88.8% and 85.8% 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, 2024, 2023 and 2022.

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, 2024 and 2023, we recorded valuation allowances of US\$172.7 million and US\$80.7 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.

Directors and Executive Officers	Age	Position/Title
Lawrence Yau Lung Ho	48	Director
Evan Andrew Winkler	50	Director
Clarence Yuk Man Chung	62	Director
Geoffrey Stuart Davis	56	Director and Chief Financial Officer
Stephanie Cheung	62	Director
Akiko Takahashi	71	Director
David Anthony Reganato	45	Director
Dale Robert Black	61	Director
Dominique Mielle	56	Independent Director
Kevin F. Sullivan	72	Independent Director
Nigel Alan Dean	71	Independent Director
Kevin Richard Benning	42	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 has also been appointed as the chairman and director of Maple Peak Investments Inc., a company listed on the TSX Venture Exchange in Canada, since July 2016, and also serves on numerous boards and committees of privately-held companies in Hong Kong, Macau and mainland China.

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 Hong Kong, Macau and mainland 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 and a director executive of the Macao Chinese General Chamber of Commerce.

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 13th year in 2024.

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 Hong Kong, Macau and 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 of Melco International since December 2017. 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,

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 2024, 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;

- 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;

- 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 5,848, 5,286 and 3,571 dedicated staff members as of December 31, 2024, 2023 and 2022, 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, 2024:

<u>Function</u>	<u>Number of Staff</u>
Management, Administrative and Finance	17
Gaming	1,773
Hotel	1,316
Food and Beverage	1,093
Property Operations	252
Entertainment	326
Marketing	236
W Macau	496
Others	339
Total	5,848

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 15, 2025.

	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%

* 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 15, 2025, 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 15, 2025, 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 15, 2025.
- (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 61.44% of the total issued shares of Melco International, including his personal interest, interests of the companies which are owned or controlled by persons and/or trusts associated with him, interest of his spouse and interests of trusts in which he is one of the beneficiaries and is taken to have interests under the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong). 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 15, 2025 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%

- (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. Mr. Lawrence Ho is the majority shareholder of Melco International, which 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 depositary 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. 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, 2024, 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, 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, 2022.

As of December 31, 2024, 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 depositary 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 depositary.

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, 2024, 2023 and 2022, see note 19 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 cancelation 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.

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

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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 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 2024, 2023 and 2022, revenue from casino contract were US\$259.8 million, US\$155.5 million and negative US\$56.7 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\$1.06 billion, US\$756.9 million and US\$227.9 million in 2024, 2023 and 2022, 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.

In July 2024, pursuant to a request we made under the Studio City Casino Agreement, the Gaming Operator allocated an additional 50 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, pursuant to requests made under the Studio City Casino Agreement from time to time, the Gaming Operator currently allocates 61 mass 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

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 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 2021 Studio City Senior Secured Credit Facility, the 2024 Studio City Senior Secured Credit Facility, the 2025 Notes, the 2027 Notes, the 2028 Notes and the 2029 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.

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

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.

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

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;

- 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

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.

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.

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.

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, 2024. 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, 2025 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;

- 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.

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 2025 Notes, 2027 Notes, 2028 Notes and 2029 Notes and the costs associated with servicing and repaying such debts are denominated in U.S. dollars. In addition, the 2021 Studio City Senior Secured Credit Facility and the 2024 Studio City Senior Secured Credit Facility, 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.

Major currencies in which our cash and bank balances (including restricted cash) were held as of December 31, 2024 included U.S. dollars, H.K. dollars and Patacas. Based on the cash and bank balances as of December 31, 2024, 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\$0.7 million for the year ended December 31, 2024.

To date, we have not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risk.

Inflation Risk

We generated all of our revenues from our operations in Macau in 2024, 2023 and 2022. 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 0.74%, 0.94% and 1.04% in 2024, 2023 and 2022, 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, Mail Stop NYC01-1710, New York, New York, 10019.

As an ADS holder, 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):

Service	Fees
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
Cancellation of ADSs, including the case of termination of the deposit agreement	Up to US\$0.05 per ADS canceled
Distribution of cash dividends	Up to US\$0.05 per ADS held
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
Distribution of ADSs pursuant to exercise of rights	Up to US\$0.05 per ADS held
Distribution of securities other than ADSs or rights to purchase additional ADSs	Up to US\$0.05 per ADS held
Depositary services	Up to US\$0.05 per ADS held on the applicable record date(s) established by the depositary bank

As an ADS holder, 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.

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- 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. The brokers in turn charge these fees to their clients. Depositary fees payable in connection with distributions of cash or securities to ADS holders and the depositary services fee are charged by the depositary bank to the holders of record of ADSs as of the applicable ADS record date.

The depositary 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 depositary 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 depositary 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 depositary 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 depositary banks.

In the event of refusal to pay the depositary fees, the depositary 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 depositary fees from any distribution to be made to the ADS holder.

The depositary may make payments to us or reimburse us for certain costs and expenses, by making available a portion of the ADS fees collected in respect of the ADR program or otherwise, upon such terms and conditions as we and the depositary bank agree from time to time.

Fees and Other Payments Made by the Depositary to Us

In 2024, we did not receive any fees or other payments from the depositary.

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 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, 2024. 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, 2024, 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, 2024 that have materially affected, or are reasonably likely to materially affect, our Company’s internal control over financial reporting.

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. The code of business conduct was last amended on December 5, 2024 to include additional clarification to highlight the importance of dealing with politically exposed persons. 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,	
	2024	2023
	(In thousands of US\$)	
Audit fees ⁽¹⁾	\$ 542	\$ 787
Audit-related fees ⁽²⁾	92	122
Tax fees	—	—
All other fees	—	—

(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, 2024 and 2023, 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, 2024.

ITEM 16F. CHANGE IN REGISTRANT’S CERTIFYING ACCOUNTANT

See our report on Form 6-K furnished to the SEC on June 7, 2024 regarding the change in our certifying accountant from Ernst & Young LLP, Singapore to Deloitte & Touche LLP, located in Singapore, which is incorporated herein by reference.

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 senior 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.

ITEM 19. EXHIBITS

Exhibit Number	Description of Document
1.1	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).
1.2	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)
2.1	Form of Registrant's Specimen American Depositary Receipt (included in Exhibit 2.3)
2.2	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)
2.3†	Form of Deposit Agreement between the Registrant, the depositary and owners and holders of the ADSs
2.4	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)
2.5	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)
2.6	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)
2.7	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)
2.8	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)
2.9	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)

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Exhibit Number	Description of Document
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>
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</u>
2.16*	<u>Guarantee by the Company, dated November 29, 2024, in relation to the 2024 Studio City Senior Secured Credit Facility</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</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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Exhibit Number	Description of Document
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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Exhibit Number	Description of Document
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
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document

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<u>Exhibit Number</u>	<u>Description of Document</u>
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	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.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

Date: March 21, 2025

By: /s/ Kevin Richard Benning
Name: Kevin Richard Benning
Title: Property General Manager

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 sheet of Studio City International Holdings Limited (the “Company”) as of December 31, 2024, the related consolidated statements of operations, comprehensive loss, equity and cash flows, for the year ended December 31, 2024 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, 2024, and the results of its operations and its cash flows for the year ended December 31, 2024, 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, 2024, 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 21, 2025, 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 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 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 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, 7 and 8 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 \$2,802.6 million as of December 31, 2024, 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, 2024, 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 effectiveness of controls over management’s asset impairment evaluation for Studio City, such as controls related to management’s forecasts of future cash flows, determination and review of future revenue growth rate and gross margin;
- 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;
- We challenged and evaluated the 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; and
- We tested the mathematical accuracy of the calculation.

/s/ Deloitte & Touche LLP

Singapore
March 21, 2025

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 balance sheet of Studio City International Holdings Limited (the Company) as of December 31, 2023, and the related consolidated statements of operations, comprehensive loss, equity and cash flows for each of the two years in the period 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 financial position of the Company at December 31, 2023, and the results of its operations and its cash flows for each of the two years in the period 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 audits. 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 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.

/s/ Ernst & Young LLP

We served as the Company’s auditor from 2022 to 2024.

Singapore

March 22, 2024, except for Note 20, 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 (the “Company”) as of December 31, 2024, 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, 2024, 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, 2024, of the Company and our report dated March 21, 2025, 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 21, 2025

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEETS (In thousands, except share and per share data)

	December 31,	
	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 127,634	\$ 228,040
Accounts receivable, net of allowances for credit losses of \$11 and \$10	1,976	2,281
Receivables from affiliated companies	309	40,969
Inventories	7,306	5,763
Prepaid expenses and other current assets	29,140	38,997
Total current assets	166,365	316,050
Property and equipment, net	2,652,169	2,775,806
Intangible assets, net	—	5
Long-term prepayments, deposits and other assets	52,504	27,787
Restricted cash	130	130
Operating lease right-of-use assets	11,647	11,619
Land use right, net	102,629	105,304
Total assets	<u>\$ 2,985,444</u>	<u>\$ 3,236,701</u>
LIABILITIES, SHAREHOLDERS' EQUITY AND PARTICIPATION INTEREST		
Current liabilities:		
Accounts payable	\$ 3,285	\$ 2,454
Accrued expenses and other current liabilities	118,117	135,514
Income tax payable	7,626	10
Current portion of long-term debt, net	21,597	—
Payables to affiliated companies	30,131	18,799
Total current liabilities	180,756	156,777
Long-term debt, net	2,141,750	2,335,173
Other long-term liabilities	4,115	3,209
Deferred tax liabilities, net	77	309
Operating lease liabilities, non-current	12,227	12,250
Total liabilities	<u>\$ 2,338,925</u>	<u>\$ 2,507,718</u>
Commitments and contingencies (Note 18)		

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

CONSOLIDATED BALANCE SHEETS - continued
(In thousands, except share and per share data)

	December 31,	
	2024	2023
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 (losses)	8,701	(12,656)
Accumulated losses	(1,895,409)	(1,798,683)
Total shareholders' equity	<u>590,735</u>	<u>666,104</u>
Participation interest	<u>55,784</u>	<u>62,879</u>
Total shareholders' equity and participation interest	<u>646,519</u>	<u>728,983</u>
Total liabilities, shareholders' equity and participation interest	<u>\$ 2,985,444</u>	<u>\$ 3,236,701</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,		
	2024	2023	2022
Operating revenues:			
Revenue from casino contract with a related party	\$ 259,842	\$ 155,527	\$ (56,665)
Rooms (including revenues from related parties of \$98,555, \$72,925 and \$13,088 for the years ended December 31, 2024, 2023 and 2022, respectively)	160,721	111,733	17,915
Food and beverage (including revenues from related parties of \$55,678, \$38,513 and \$11,951 for the years ended December 31, 2024, 2023 and 2022, respectively)	89,660	62,426	17,489
Entertainment (including revenues from related parties of \$25,703, \$39,715 and \$499 for the years ended December 31, 2024, 2023 and 2022, respectively)	47,533	61,777	1,649
Services fee from related parties	59,529	40,473	21,889
Mall	18,289	10,744	7,189
Retail and other	3,571	2,858	2,082
Total operating revenues	639,145	445,538	11,548
Operating costs and expenses:			
Costs related to casino contract (including costs to related parties of \$32,299, \$27,295 and \$28,740 for the years ended December 31, 2024, 2023 and 2022, respectively)	(34,704)	(28,847)	(29,871)
Rooms (including costs to related parties of \$27,149, \$16,798 and \$7,277 for the years ended December 31, 2024, 2023 and 2022, respectively)	(51,614)	(28,280)	(11,119)
Food and beverage (including costs to related parties of \$36,924, \$25,520 and \$15,501 for the years ended December 31, 2024, 2023 and 2022, respectively)	(80,081)	(54,741)	(24,403)
Entertainment (including costs to related parties of \$9,051, \$11,922 and \$2,061 for the years ended December 31, 2024, 2023 and 2022, respectively)	(46,500)	(53,056)	(2,253)
Mall (including costs to related parties of \$2,158, \$1,797 and \$1,588 for the years ended December 31, 2024, 2023 and 2022, respectively)	(7,336)	(4,212)	(4,115)
Retail and other (including costs to related parties of \$1,961, \$1,621 and \$1,005 for the years ended December 31, 2024, 2023 and 2022, respectively)	(2,306)	(1,986)	(1,200)
General and administrative (including expenses to related parties of \$70,472, \$52,299 and \$44,005 for the years ended December 31, 2024, 2023 and 2022, respectively)	(171,271)	(115,203)	(79,785)
Pre-opening costs (including expenses to related parties of \$91, \$7,533 and \$1,975 for the years ended December 31, 2024, 2023 and 2022, respectively)	(807)	(17,451)	(3,263)
Amortization of land use right	(3,314)	(3,302)	(3,300)
Depreciation and amortization	(201,746)	(166,095)	(123,656)
Property charges and other (including expenses to related parties of nil, \$1,071 and \$5,622 for the years ended December 31, 2024, 2023 and 2022, respectively)	(1,318)	(1,407)	(5,799)
Total operating costs and expenses	(600,997)	(474,580)	(288,764)
Operating income (loss)	\$ 38,148	\$ (29,042)	\$ (277,216)

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

CONSOLIDATED STATEMENTS OF OPERATIONS - continued
(In thousands, except share and per share data)

	Year Ended December 31,		
	2024	2023	2022
Non-operating income (expenses):			
Interest income	\$ 4,059	\$ 10,675	\$ 6,427
Interest expense, net of amounts capitalized	(133,594)	(129,567)	(92,358)
Other financing costs	(592)	(417)	(417)
Foreign exchange (losses) gains, net	(5,500)	642	2,390
Other (expenses) income, net	—	(67)	249
(Loss) gain on extinguishment of debt	(1,000)	1,611	—
Total non-operating expenses, net	(136,627)	(117,123)	(83,709)
Loss before income tax	(98,479)	(146,165)	(360,925)
Income tax (expense) benefit	(7,352)	81	(382)
Net loss	(105,831)	(146,084)	(361,307)
Net loss attributable to participation interest	9,105	12,567	34,856
Net loss attributable to Studio City International Holdings Limited	<u>\$ (96,726)</u>	<u>\$ (133,517)</u>	<u>\$ (326,451)</u>
Net loss attributable to Studio City International Holdings Limited per Class A ordinary share:			
Basic	<u>\$ (0.126)</u>	<u>\$ (0.173)</u>	<u>\$ (0.459)</u>
Diluted	<u>\$ (0.126)</u>	<u>\$ (0.173)</u>	<u>\$ (0.461)</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	<u>770,352,700</u>	<u>770,352,700</u>	<u>710,582,947</u>
Diluted	<u>770,352,700</u>	<u>770,352,700</u>	<u>783,094,707</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,		
	2024	2023	2022
Net loss	\$ (105,831)	\$ (146,084)	\$ (361,307)
Other comprehensive income (loss):			
Foreign currency translation adjustments	23,367	(1,078)	(5,890)
Other comprehensive income (loss)	23,367	(1,078)	(5,890)
Total comprehensive loss	(82,464)	(147,162)	(367,197)
Comprehensive loss attributable to participation interest	7,095	12,660	35,211
Comprehensive loss attributable to Studio City International Holdings Limited	<u>\$ (75,369)</u>	<u>\$ (134,502)</u>	<u>\$ (331,986)</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 at January 1, 2022	370,352,700	\$ 37	72,511,760	\$ 7	\$2,134,227	\$ (6,136)	\$(1,338,715)	\$ 154,763	\$ 944,183
Net loss	—	—	—	—	—	—	(326,451)	(34,856)	(361,307)
Foreign currency translation adjustments	—	—	—	—	—	(5,535)	—	(355)	(5,890)
Shares issued, net of offering expenses	400,000,000	40	—	—	299,119	—	—	—	299,159
Change in Participation Interest resulting from 2022 Private Placements (as described in Note 13)	—	—	—	—	44,013	—	—	(44,013)	—
Balance at December 31, 2022	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 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 at December 31, 2024	<u>770,352,700</u>	<u>\$ 77</u>	<u>72,511,760</u>	<u>\$ 7</u>	<u>\$2,477,359</u>	<u>\$ 8,701</u>	<u>\$(1,895,409)</u>	<u>\$ 55,784</u>	<u>\$ 646,519</u>

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,		
	2024	2023	2022
Cash flows from operating activities:			
Net loss	\$ (105,831)	\$ (146,084)	\$ (361,307)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	205,060	169,397	126,956
Amortization of deferred financing costs and original issue premiums	3,328	2,857	1,404
Loss on disposal of property and equipment and other long-term assets	879	541	134
Provision for (reversal of) credit losses	162	(581)	481
Loss (gain) on extinguishment of debt	1,000	(1,611)	—
Changes in operating assets and liabilities:			
Accounts receivable	318	(2,028)	(16)
Receivables from affiliated companies	40,825	(40,649)	15,454
Inventories, prepaid expenses and other	8,431	(339)	4,070
Long-term prepayments, deposits and other	9,942	19,335	(5,678)
Accounts payable, accrued expenses and other	13,633	40,658	10,876
Payables to affiliated companies	11,266	(61,376)	27,967
Other long-term liabilities	886	986	884
Net cash provided by (used in) operating activities	189,899	(18,894)	(178,775)
Cash flows from investing activities:			
Acquisition of property and equipment	(86,756)	(156,824)	(452,126)
Payments to an affiliated company for other long-term assets	(31,305)	(5,530)	—
Proceeds from sale of property and equipment	9,600	814	9
Funds to an affiliated company	—	—	(1,278)
Net cash used in investing activities	(108,461)	(161,540)	(453,395)
Cash flows from financing activities:			
Repayments of long-term debt	(175,378)	(100,372)	—
Payments of financing costs	(7,885)	(530)	(6,050)
Net proceeds from issuance of shares	—	—	299,159
Proceeds from long-term debt	—	—	350,000
Net cash (used in) provided by financing activities	(183,263)	(100,902)	643,109
Effect of exchange rate on cash, cash equivalents and restricted cash	1,419	(147)	(705)
(Decrease) increase in cash, cash equivalents and restricted cash	(100,406)	(281,483)	10,234
Cash, cash equivalents and restricted cash at beginning of year	228,170	509,653	499,419
Cash, cash equivalents and restricted cash at end of year	<u>\$ 127,764</u>	<u>\$ 228,170</u>	<u>\$ 509,653</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS - continued
(In thousands)

	Year Ended December 31,		
	2024	2023	2022
Supplemental cash flow disclosures:			
Cash paid for interest, net of amounts capitalized	\$ (134,951)	\$ (113,419)	\$ (87,892)
Cash paid for amounts included in the measurement of lease liabilities - operating cash flows from operating leases	\$ (677)	\$ (673)	\$ (726)
Repayments of long-term debt to a director of SCIH	\$ (30,000)	\$ —	\$ —
Proceeds on sale of property and equipment from affiliated companies	\$ 9,600	\$ 809	\$ 4
Non-cash disclosures:			
Change in operating lease right-of-use assets and lease liabilities arising from lease modification	\$ 3	\$ (1,456)	\$ (1,343)
Change in accrued expenses and other current liabilities and other long-term liabilities related to acquisition of property and equipment	\$ 18,290	\$ 11,600	\$ 100,394
Change in receivables from/payables to affiliated companies related to addition of property and equipment and other long-term assets	\$ 394	\$ 432	\$ 3,819
Financing costs included in accrued expenses and other current liabilities	\$ 1,431	\$ 125	\$ 5

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

Company Information

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 depositary 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”), which holds the gaming concession in Macau, for the operations of the gaming area at Studio City (“Studio City Casino”). Melco’s 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, 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, 2024 and 2023, 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”), 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation and Principles of Consolidation

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

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

(a) Basis of Presentation and Principles of Consolidation - continued

authorized to operate the Studio City Casino. On December 31, 2022, the previous gaming subconcession contract of MRM to operate its gaming business in Macau expired, which coincided with the extended expiration date of all other concessions and subconcessions in Macau.

On June 23, 2022, MRM and Studio City Entertainment Limited (“SCE”), a subsidiary of SCIH, amended a services and right to use agreement dated May 11, 2007, as amended, 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 agreed to operate the Studio City Casino since the Company does not hold a gaming concession in Macau. In addition, certain conditions imposed by the Macau government relating to the previous agreement, including in relation to shareholding requirements for certain direct and indirect shareholders of SCE, were no longer applicable. MRM deducts gaming taxes and the costs incurred in connection with its operations 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 December 2015, SCIH and certain of its subsidiaries entered into a master services agreement; and certain of its subsidiaries entered into related work agreements (collectively, the “Management and Shared Services Arrangements”) with certain of Melco’s subsidiaries with respect to services provided to and from Studio City, which expired in June 2022 and were extended to December 31, 2032 in March 2023.

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 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 19.

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

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**

and liabilities, revenues and expenses and related disclosures of contingent assets and liabilities. Estimates are used for, but not limited to, inputs into Company's estimate allowances for deferred tax assets and credit losses, useful lives and recoverability of long-lived assets and intangible 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, which 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 the customers, current business and economic conditions, and management's expectations of future business and economic conditions.

Management believes that as of December 31, 2024 and 2023, 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, 2024 and 2023 were \$25,874 and \$35,432, respectively, and the other current assets as of December 31, 2024 and 2023 were \$3,266 and \$3,565, 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 \$133,594, \$144,806 and \$141,977, of which nil, \$15,239 and \$49,619 were capitalized during the years ended December 31, 2024, 2023 and 2022, respectively.

(k) Other Long-term Assets

Before the amendment of the Studio City Casino Agreement on June 23, 2022, other long-term assets, net represents the payments for the future economic benefits of certain property and equipment for the operation of Studio City Casino (the "Studio City Gaming Assets"), transferred from MRM to the Company, less subsequent accumulated amortization and accumulated impairment, if any. After the

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**

amendment of the Studio City Casino Agreement on June 23, 2022, 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.

Other long-term assets are amortized using the straight-line method over the respective estimated useful lives of the Studio City Gaming Assets, ranging from 2 to 10 years. The legal ownership of the Studio City Gaming Assets was previously retained by MRM. 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 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 other long-term assets is determined as the difference between the sale proceeds and the carrying amount of the future economic benefits of the Studio City Casino Agreement generated from an item of the Studio City Gaming Assets and is recognized in the accompanying consolidated statements of operations.

(l) Intangible Assets

Intangible assets are amortized over their useful lives unless their lives are determined to be indefinite in which case they are not amortized. Intangible assets are stated at cost, net of accumulated amortization. The Company's intangible assets, which are finite-lived, consist of internal-use software. Finite-lived intangible assets are amortized over the shorter of their contractual terms or estimated useful lives on a straight-line basis.

Costs incurred to develop software for internal use are capitalized and amortized over the estimated useful lives of the software of 3 years on a straight-line basis. The capitalization of such costs begins during the application development stage of the software project and ceases once the software project is substantially complete and ready for its intended use. Costs of specified upgrades and enhancements to the internal-use software are capitalized, while costs associated with preliminary project stage activities, training, maintenance and all other post-implementation stage activities are expensed as incurred.

(m) 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.

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****(m) Impairment of Long-lived Assets - continued**

No impairment of long-lived assets was recognized during the years ended December 31, 2024, 2023 and 2022.

(n) 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.

(o) 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.

(p) 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, all are accounted for as operating leases, and the lease components and non-lease components are accounted for separately.

(q) 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.

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****(q) Revenue Recognition - continued**

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 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.

The Company follows the accounting standards for reporting revenue gross as a principal versus net as an agent, when accounting for the operations of one of its externally managed hotels 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.

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 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 \$5,644 as of December 31, 2024 increased by \$1,212 from the balance of \$4,432 as of December 31, 2023. Advance customer deposits and ticket sales of \$4,432 as of December 31, 2023 increased by \$2,639 from the balance of \$1,793 as of December 31, 2022.

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****(r) 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, 2024, 2023 and 2022, 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.

(s) 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 \$33,165, \$22,668 and \$3,692 for the years ended December 31, 2024, 2023 and 2022, respectively.

(t) 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.

(u) 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 income (loss).

(v) Comprehensive Loss and Accumulated Other Comprehensive Income (Losses)

Comprehensive loss includes net loss and other non-shareholder changes in equity, or other comprehensive income (loss). Components of Company’s comprehensive loss are reported in the accompanying consolidated statements of equity and consolidated statements of comprehensive loss.

As of December 31, 2024 and 2023, the Company’s accumulated other comprehensive income (losses) consisted solely of foreign currency translation adjustments, net of tax and participation interest.

(w) 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.

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) Income Tax - continued

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.

(x) 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 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, 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.

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) Net Loss Attributable to Studio City International Holdings Limited Per Class A Ordinary Share - continued

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,		
	2024	2023	2022
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	710,582,947
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	—	—	72,511,760
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>783,094,707</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>—</u>

(y) Reclassification

Certain reclassifications have been made to the prior years' consolidated financial statements to conform to the current year's presentation. These reclassifications had no impact on net loss, shareholders' equity, or cash flows as previously reported.

(z) Recent Changes in Accounting Standards

Newly Adopted Accounting Pronouncement

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, "Improvements to Reportable Segment Disclosures" which enhances reportable segment disclosure requirements primarily through expanded disclosures about significant segment expenses on an interim and annual basis. ASU 2023-07 should be applied retrospectively to all prior periods presented in the financial statements. The Company adopted ASU 2023-07 for the year ended December 31, 2024. Refer to Note 20 for segment information.

Recent Accounting Pronouncements Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, "Improvements to Income Tax Disclosures" which includes amendments that further enhance income tax disclosures, primarily through providing

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

(z) Recent Changes in Accounting Standards - continued

Recent Accounting Pronouncements Not Yet Adopted - continued

additional information in the rate reconciliation and additional disclosures about income taxes paid by jurisdiction. The Company plans to adopt ASU 2023-09 for its annual period ending December 31, 2025 and is currently assessing the impact of adoption.

In November 2024, the FASB issued ASU 2024-03, "Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures" which primarily requires disaggregated disclosure of certain expense categories in the notes to the financial statements on an annual and interim basis. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. 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,	
	2024	2023
Cash	\$ 93,682	\$ 44,309
Cash equivalents	33,952	183,731
Total cash and cash equivalents	127,634	228,040
Non-current portion of restricted cash	130	130
Total cash, cash equivalents and restricted cash	<u>\$ 127,764</u>	<u>\$ 228,170</u>

4. ACCOUNTS RECEIVABLE, NET

Components of accounts receivable, net are as follows:

	December 31,	
	2024	2023
Hotel	\$ 1,752	\$ 1,833
Other	235	458
Sub-total	1,987	2,291
Less: allowances for credit losses	(11)	(10)
Accounts receivable, net	<u>\$ 1,976</u>	<u>\$ 2,281</u>

The Company's allowances for credit losses as of December 31, 2024 and 2023 were from its hotel receivables.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued (In thousands, except share and per share data)

4. ACCOUNTS RECEIVABLE, NET - continued

Movement in the allowances for credit losses are as follows:

	Year Ended December 31,		
	2024	2023	2022
Balance at beginning of year	\$ 10	\$ —	\$ —
Provision for credit losses	1	10	—
Balance at end of year	<u>\$ 11</u>	<u>\$ 10</u>	<u>\$ —</u>

5. PROPERTY AND EQUIPMENT, NET

	December 31,	
	2024	2023
Buildings	\$ 3,414,388	\$ 3,384,762
Furniture, fixtures and equipment	318,502	301,910
Leasehold improvements	160,161	134,091
Motor vehicles	2,732	2,717
Construction in progress	558	881
Sub-total	3,896,341	3,824,361
Less: accumulated depreciation and amortization	(1,244,172)	(1,048,555)
Property and equipment, net	<u>\$ 2,652,169</u>	<u>\$ 2,775,806</u>

The depreciation and amortization expenses of property and equipment recognized for the years ended December 31, 2024, 2023 and 2022 were \$194,617, \$158,746 and \$113,028, respectively.

The cost and accumulated amortization of right-of-use assets held under finance lease arrangements were \$1,260 and \$65 as of December 31, 2024, respectively. Further information on the lease arrangements is included in Note 11.

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 with its land lease right held by Studio City Developments Limited (“SCD”), a subsidiary of SCIH, and related 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 gaming subconcession. Effective as of January 1, 2023, the Reversion 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. 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 with the Reversion Assets in the same manner as under the previous gaming subconcession, obtains substantially all of the economic benefits and bears all of the risks arising from the operation of these assets, and assuming MRM will be successful in obtaining a

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

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. INTANGIBLE ASSETS, NET

	December 31,	
	2024	2023
Finite-lived intangible assets:		
Internal-use software	\$ 4,225	\$ 4,199
Less: accumulated amortization	(4,225)	(4,194)
Intangible assets, net	<u>\$ —</u>	<u>\$ 5</u>

The amortization expenses of internal-use software recognized for the years ended December 31, 2024, 2023 and 2022 were \$5, \$1,364 and \$1,396, respectively.

7. LONG-TERM PREPAYMENTS, DEPOSITS AND OTHER ASSETS

Long-term prepayments, deposits and other assets consisted of the following:

	December 31,	
	2024	2023
Other long-term assets	\$ 53,106	\$ 22,327
Less: accumulated amortization	(16,960)	(10,289)
Other long-term assets, net	36,146	12,038
Deferred financing costs, net	8,792	278
Other deposits and other	4,484	5,323
Deposits for acquisition of property and equipment	2,852	931
Long-term prepayments	230	9,217
Long-term prepayments, deposits and other assets	<u>\$ 52,504</u>	<u>\$ 27,787</u>

The amortization expenses of other long-term assets recognized for the years ended December 31, 2024, 2023 and 2022 were \$7,124, \$5,985 and \$9,232, respectively.

8. LAND USE RIGHT, NET

	December 31,	
	2024	2023
Cost	\$ 178,844	\$ 177,738
Less: accumulated amortization	(76,215)	(72,434)
Land use right, net	<u>\$ 102,629</u>	<u>\$ 105,304</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued (In thousands, except share and per share data)

9. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	December 31,	
	2024	2023
Interest expense payables	\$ 55,856	\$ 60,522
Property and equipment payables	25,940	45,499
Operating expense and other accruals and liabilities	19,250	16,459
Staff cost accruals	9,874	7,511
Advance customer deposits and ticket sales	5,644	4,432
Operating lease liabilities	1,553	1,091
Accrued expenses and other current liabilities	<u>\$ 118,117</u>	<u>\$ 135,514</u>

10. LONG-TERM DEBT, NET

Long-term debt, net consisted of the following:

	December 31,	
	2024	2023
SCF 6.000% Senior Notes, due 2025 (net of unamortized deferred financing costs of \$253 and \$1,320, respectively)	\$ 221,369	\$ 395,680
SCC 7.000% Senior Notes, due 2027 (net of unamortized deferred financing costs of \$2,862 and \$4,039, respectively)	347,138	345,961
SCF 6.500% Senior Notes, due 2028 (net of unamortized deferred financing costs of \$2,299 and \$2,970, respectively)	497,701	497,030
SCF 5.000% Senior Notes, due 2029 (net of unamortized deferred financing costs and original issue premiums of \$2,990 and \$3,626, respectively)	1,097,010	1,096,374
SCC 2016 Credit Facilities, due 2029		
SCC 2016 Term Loan	129	128
SCC 2016 Revolving Facility ⁽¹⁾	—	—
SCC 2024 Revolving Facility, due 2029 ⁽²⁾	—	—
	<u>2,163,347</u>	<u>2,335,173</u>
Less: Current portion of long-term debt, net	<u>(21,597)</u>	<u>—</u>
Long-term debt, net	<u>\$ 2,141,750</u>	<u>\$ 2,335,173</u>

- (1) As of December 31, 2024 and 2023, the unamortized deferred financing costs related to the SCC 2016 Revolving Facility of \$308 and \$278, respectively, are included in long-term prepayments, deposits and other assets in the accompanying consolidated balance sheets.
- (2) As of December 31, 2024, the unamortized deferred financing costs related to the SCC 2024 Revolving Facility of \$8,484 is included in long-term prepayments, deposits and other assets in the accompanying consolidated balance sheets.

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

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued**
(In thousands, except share and per share data)**10. LONG-TERM DEBT, NET - continued****SCF Senior Notes - continued**

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 “2023 Tender Offer”) 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 2023 Tender Offer, as amended, and settled the transaction on November 28, 2023. On April 8, 2024, SCF initiated a cash tender offer (the “2024 Tender Offer”) 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 2024 Tender Offer, as amended, and settled the transaction on April 24, 2024. Other than the 2023 Tender Offer and the 2024 Tender Offer, 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 2024 Tender Offer 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 19. In connection with the 2023 Tender Offer, the 2024 Tender Offer 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. As of December 31, 2024, the outstanding principal amount of the 2025 SCF Senior Notes was \$221,622. The net carrying amount of \$199,772 of the 2025 SCF Senior Notes is classified as non-current portion of long-term debt as of December 31, 2024 given the settlement of these obligations is not expected to require the use of working capital within one year and the Company has both the intent and ability, as evidenced by the SCC 2024 Revolving Facility (as defined below), to refinance these obligations on a long-term basis.

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.

The 2025 SCF Senior Notes, 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, together with the 2029 SCF Indenture, are collectively referred to as the “SCF Indentures”.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued**
(In thousands, except share and per share data)**10. LONG-TERM DEBT, NET - continued****SCF Senior Notes - continued**

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, 2024, the net assets of SCF and its restricted subsidiaries with amount of approximately \$657,000 were restricted from being distributed under the terms of the SCF Senior Notes.

SCC Senior 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 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 Notes were used to fund the capital expenditures of the remaining development project at Studio City and for general corporate purposes.

There are no interim principal payments on the 2027 SCC Senior Notes and interest is payable semi-annually in arrears on each February 15 and August 15.

The 2027 SCC Senior 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

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued**
(In thousands, except share and per share data)**10. LONG-TERM DEBT, NET - continued****SCC Senior Notes - continued**

SCC Credit Facilities (as defined below) that are secured by common collateral securing the 2027 SCC Senior Notes will have priority over the 2027 SCC Senior 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 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 "SCC Senior Notes Guarantors") jointly, severally and unconditionally guarantee the 2027 SCC Senior Notes on a senior basis (the "SCC Senior Notes Guarantees"). The SCC Senior Notes Guarantees are senior obligations of the SCC Senior Notes Guarantors, rank equally in right of payment to all existing and future senior indebtedness of the SCC Senior Notes Guarantors and rank senior in right of payment to any existing and future subordinated indebtedness of the SCC Senior Notes Guarantors. The SCC Senior Notes Guarantees are pari passu to the SCC Senior 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 Notes and the SCC Senior Notes Guarantees, to the extent of the value of the assets.

The 2027 SCC Senior 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 Notes will have priority over the 2027 SCC Senior 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 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 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 not SCC, SCI and their respective restricted subsidiaries, subject to certain exceptions and conditions. As of December 31, 2024, the net assets of SCI and its restricted subsidiaries with amount of approximately \$585,000 were restricted from being distributed under the terms of the 2027 SCC Senior 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

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued**
(In thousands, except share and per share data)**10. LONG-TERM DEBT, NET - continued****SCC Credit Facilities - continued**

Hong Kong dollars (“HK\$”) 234,000 (equivalent to \$30,077) senior secured credit facilities (the “SCC 2016 Credit Facilities”), comprising a HK\$1,000 (equivalent to \$129) term loan facility (the “SCC 2016 Term Loan”) and a HK\$233,000 (equivalent to \$29,948) revolving credit facility (the “SCC 2016 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 2016 Credit Facilities (the “2024 SCC Amendment and Restatement”), including the extension of the maturity date to August 29, 2029 and change of interest rates. The SCC 2016 Term Loan shall be repaid on August 29, 2029 with no interim amortization payments. The SCC 2016 Revolving Facility is available up to the date that is one month prior to August 29, 2029.

Pursuant to the 2024 SCC Amendment and Restatement, borrowings under the SCC 2016 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 2016 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 2024 SCC Amendment and Restatement, borrowings under the SCC 2016 Credit Facilities denominated in HK\$ bore interest at HIBOR plus a margin of 4% per annum. As of December 31, 2024 and 2023, the interest rate was approximately 6.83% and 9.27%, respectively. The SC Borrower may select an interest period for borrowings under the SCC 2016 Credit Facilities ranging from one to six months or any other agreed period. The SC Borrower is obligated to pay a commitment fee on the undrawn amount of the SCC 2016 Revolving Facility and recognized loan commitment fees of \$403, \$417 and \$417 during the years ended December 31, 2024, 2023 and 2022, respectively.

As of December 31, 2024, the outstanding principal amount of the SCC 2016 Term Loan and the SCC 2016 Revolving Facility were HK\$1,000 (equivalent to \$129) and nil, respectively, and the available unused borrowing capacity under the SCC 2016 Revolving Facility was HK\$233,000 (equivalent to \$30,012).

On November 29, 2024, SCC entered into a senior secured revolving credit facility agreement with a syndicate of banks (the “SCC 2024 Revolving Facility”) 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 Facility is available up to the date that is one month prior to the maturity date.

Borrowings under the SCC 2024 Revolving Facility 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 Facility ranging from one to six months or any other agreed period. The SC Borrower is obligated to pay a commitment fee on the undrawn amount of the SCC 2024 Revolving Facility and recognized loan commitment fees of \$189 during the year ended December 31, 2024.

As of December 31, 2024, the outstanding principal amount of the SCC 2024 Revolving Facility was nil and the available unused borrowing capacity under the SCC 2024 Revolving Facility was HK\$1,945,000 (equivalent to \$250,532).

The SCC 2016 Credit Facilities and the SCC 2024 Revolving Facility are collectively referred to as the “SCC Credit Facilities”.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued**
(In thousands, except share and per share data)**10. LONG-TERM DEBT, NET - continued****SCC Credit Facilities - continued**

The SCC 2016 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 2016 Revolving Facility and the SCC 2024 Revolving Facility; 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 2016 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 rights 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 Facility 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.

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, 2024, the net assets of SCI and its restricted subsidiaries of approximately \$585,000 were restricted from being distributed under the terms of the SCC Credit Facilities.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

10. LONG-TERM DEBT, NET - continued

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, 2024 are as follows:

Year ending December 31,	
2025	\$ 221,622
2026	—
2027	350,000
2028	500,000
2029	1,100,129
Over 2029	—
	<u>\$ 2,171,751</u>

11. 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,		
	2024	2023	2022
Operating lease costs:			
Amortization of land use right	\$ 3,314	\$ 3,302	\$ 3,300
Operating lease costs	1,076	1,072	1,078
Finance lease costs:			
Amortization of right-of-use assets	65	—	—
Total lease costs	<u>\$ 4,455</u>	<u>\$ 4,374</u>	<u>\$ 4,378</u>

Other information related to lease terms and discount rates of operating leases is as follows:

	December 31,	
	2024	2023
Weighted average remaining lease term	30.8 years	31.8 years
Weighted average discount rate	7.39%	7.81%

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued (In thousands, except share and per share data)

11. LEASES - continued

Lessee Arrangements - continued

Maturities of operating lease liabilities as of December 31, 2024 are as follows:

Year ending December 31,	
2025	\$ 1,589
2026	1,134
2027	1,134
2028	1,134
2029	1,134
Over 2029	29,268
Total future minimum lease payments	35,393
Less: amount representing interest	(21,613)
Present value of future minimum lease payments	13,780
Current portion	(1,553)
Non-current portion	<u>\$ 12,227</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 years ended December 31, 2024, 2023 and 2022, the Company earned minimum operating lease income of \$6,665, \$4,393 and \$3,714, respectively, and contingent operating lease income of \$5,767, \$3,111 and \$449, respectively. Total lease income for the years ended December 31, 2024, 2023 and 2022 were reduced by nil, \$41 and \$198, respectively, as a result of the rent concessions in prior periods related to the effects of the COVID-19 outbreak.

Future minimum fees, excluding the contingent fees to be received under non-cancellable operating leases as of December 31, 2024 were as follows:

Year ending December 31,	
2025	\$ 6,840
2026	5,989
2027	4,471
2028	3,382
2029	940
Over 2029	1,404
	<u>\$ 23,026</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued**
(In thousands, except share and per share data)**12. 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.

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, 2024 and 2023, were approximately \$2,052,327 and \$2,113,560, respectively, as compared to their carrying values, excluding unamortized deferred financing costs and original issue premiums, of \$2,171,751 and \$2,347,128, 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, 2024 and 2023, 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.

13. CAPITAL STRUCTURE

During February and March 2022, SCIH, respectively, announced and completed a series of private offers (the "2022 Private Placements") of 400,000,000 Class A ordinary shares to certain existing shareholders and holders of its ADSs, including Melco, with gross proceeds amounting to \$300,000 and offering expenses of \$841. The 2022 Private Placements resulted in an adjustment to the carrying amount of the Participation Interest with a corresponding increase in the Company's additional paid-in capital.

As of December 31, 2024 and 2023, 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, 2024 and 2023, 770,352,700 Class A ordinary shares and 72,511,760 Class B ordinary shares were issued and outstanding in each of those years.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

14. INCOME TAXES

Loss before income tax consisted of:

	Year Ended December 31,		
	2024	2023	2022
Macau operations	\$ 42,813	\$ (25,450)	\$ (271,801)
Hong Kong and other jurisdictions operations	(141,292)	(120,715)	(89,124)
Loss before income tax	<u>\$ (98,479)</u>	<u>\$ (146,165)</u>	<u>\$ (360,925)</u>

The income tax expense (benefit) consisted of:

	Year Ended December 31,		
	2024	2023	2022
Income tax expense - current:			
Macau Complementary Tax	\$ 7,534	\$ —	\$ —
Hong Kong Profits Tax	5	7	1
Sub-total	<u>7,539</u>	<u>7</u>	<u>1</u>
Under (over) provision of income taxes in prior years:			
Macau Complementary Tax	50	—	—
Hong Kong Profits Tax	(1)	(15)	—
Sub-total	<u>49</u>	<u>(15)</u>	<u>—</u>
Income tax (benefit) expense - deferred:			
Macau Complementary Tax	(236)	(73)	381
Total income tax expense (benefit)	<u>\$ 7,352</u>	<u>\$ (81)</u>	<u>\$ 382</u>

A reconciliation of the income tax expense (benefit) from loss before income tax per the accompanying consolidated statements of operations is as follows:

	Year Ended December 31,		
	2024	2023	2022
Loss before income tax	\$ (98,479)	\$ (146,165)	\$ (360,925)
Macau Complementary Tax rate	12%	12%	12%
Income tax benefit at Macau Complementary Tax rate	(11,817)	(17,540)	(43,311)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(6,352)	(5,432)	(3,449)
Under (over) provision in prior years	49	(15)	—
Effect of income for which no income tax expense is payable	(1,378)	(2,191)	(1,438)
Effect of expenses for which no income tax benefit is receivable	10,727	6,338	16,560
Effect of profits exempted from Macau Complementary Tax	—	(61)	—
Changes in valuation allowances	4,557	1,515	16,202
Expired tax losses	11,566	17,305	15,818
Income tax expense (benefit)	<u>\$ 7,352</u>	<u>\$ (81)</u>	<u>\$ 382</u>

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

14. INCOME TAXES - continued

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, 2024, 2023 and 2022. 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, 2024, 2023 and 2022.

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, 2024, 2023 and 2022, 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.

Global Anti-Base Erosion Model Rules (“Pillar Two”) have been enacted or substantively enacted in certain jurisdictions where the Company operates. Pillar Two is effective for the Company’s financial year beginning on January 1, 2025. The Company is in scope of the enacted or substantively enacted legislation and has performed an assessment of the Company’s potential exposure to Pillar Two income taxes.

The assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting and financial statements for the constituent entities in the Company. Based on the assessment, the Pillar Two transitional safe harbor relief will apply or the effective tax rates are above 15% in 2024. Based on management’s best estimate, the Company does not have exposure to Pillar Two top-up taxes for the year ended December 31, 2024.

The effective tax rates for the years ended December 31, 2024, 2023 and 2022 were (7.5)%, 0.1% and (0.1)%, respectively. Such rates differ from the statutory Macau Complementary Tax rate of 12%, where the 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.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

14. INCOME TAXES - continued

The net deferred tax liabilities as of December 31, 2024 and 2023 consisted of the following:

	December 31,	
	2024	2023
Deferred tax assets:		
Net operating losses carried forward	\$ 46,650	\$ 43,938
Depreciation and amortization	125,897	36,692
Lease liabilities	1,654	1,601
Other	79	165
Sub-total	174,280	82,396
Valuation allowances	(172,688)	(80,665)
Total deferred tax assets	1,592	1,731
Deferred tax liabilities:		
Right-of-use assets	(1,397)	(1,394)
Unrealized capital allowances	—	(646)
Other	(272)	—
Total deferred tax liabilities	(1,669)	(2,040)
Deferred tax liabilities, net	\$ (77)	\$ (309)

As of December 31, 2024 and 2023, valuation allowances of \$172,688 and \$80,665 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, 2024, adjusted operating tax losses carried forward, amounting to \$138,332, \$133,803 and \$116,611 will expire in 2025, 2026 and 2027, respectively. Adjusted operating tax losses carried forward of \$96,383 expired during the year ended December 31, 2024.

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 \$745,689 as of December 31, 2024 and 2023, 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 \$89,483 as of December 31, 2024 and 2023, respectively.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued (In thousands, except share and per share data)

14. INCOME TAXES - continued

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is presented as follows:

	Year Ended December 31,		
	2024	2023	2022
At beginning of year	\$ —	\$ —	\$ —
Additions based on tax positions related to current year	7,562	—	—
Additions based on tax positions related to prior year	50	—	—
At end of year	<u>\$ 7,612</u>	<u>\$ —</u>	<u>\$ —</u>

The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rate were \$7,612 and nil as of December 31, 2024 and 2023, respectively.

As of December 31, 2024 and 2023, there were no interest and penalties related to uncertain tax positions recognized in the accompanying consolidated financial statements. The Company does not anticipate any significant increases or decreases in unrecognized tax benefits within the next twelve months.

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.

15. SHARE-BASED COMPENSATION

Certain restricted shares were approved by Melco be granted to the eligible management personnel of Melco in lieu of the bonus for their services performed during 2022 under a share incentive plan adopted by Melco in 2021 (the "Bonus Restricted Shares"). The Bonus Restricted Shares for 2022 were granted in April 2023. The Bonus Restricted Shares vested immediately on their grant dates and the respective grant date fair value was determined with reference to the closing price of Melco's ADSs trading on the Nasdaq Global Select Market on the date of grant.

In accordance with the applicable accounting standards, the share-based compensation expenses related to the grant of Bonus Restricted Shares for 2022 to the eligible management personnel of Melco, to the extent of services received by the Company, of \$361 were recognized for the year ended December 31, 2022 in the accompanying consolidated statements of operations with a corresponding increase in payables to affiliated companies as the amounts were charged to the Company by Melco and its subsidiaries under the Management and Shared Services Arrangements.

16. 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.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

16. EMPLOYEE BENEFIT PLANS - continued

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, 2024, 2023 and 2022, the Company’s contributions into these plans were \$62, \$40 and \$21, respectively.

17. 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, 2024 and 2023, the balance of the legal reserve amounted to \$6 and \$6, respectively.

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 10 under each of the respective borrowings.

During the years ended December 31, 2024, 2023 and 2022, 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.

18. COMMITMENTS AND CONTINGENCIES

(a) Capital Commitments

As of December 31, 2024, the Company had capital commitments for the construction and acquisition of property and equipment totaling \$16,480.

(b) Guarantee

In addition to as disclosed in Note 10, the Company has made the following significant guarantee as of December 31, 2024:

Trade Credit Facility

In October 2013, one of the SCIH’s subsidiaries entered into a trade credit facility agreement for HK\$200,000 (equivalent to \$25,762) (“Trade Credit Facility”) with a bank to meet certain payment obligations of the Studio City project. The Trade Credit Facility which matured on August 31, 2023 was further extended to August 31, 2025, and is guaranteed by SCC. As of December 31, 2024, approximately \$644 of the Trade Credit Facility had been utilized.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued (In thousands, except share and per share data)

18. COMMITMENTS AND CONTINGENCIES - continued

(c) Litigation

As of December 31, 2024, 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.

19. RELATED PARTY TRANSACTIONS

During the years ended December 31, 2024, 2023 and 2022, the Company entered into the following significant related party transactions:

Related companies	Nature of transactions	Year Ended December 31,		
		2024	2023	2022
Transactions with affiliated companies				
Melco and its subsidiaries	Revenues (services provided by the Company):			
	Revenue from casino contract	\$259,842	\$ 155,527	\$ (56,665)
	Rooms and food and beverage ⁽¹⁾	154,233	111,438	25,039
	Services fee ⁽²⁾	59,529	40,473	21,889
	Entertainment ⁽¹⁾	25,703	39,715	499
	Costs and expenses (services provided to the Company):			
	Staff costs recharges ^{(3) (4)}	116,491	89,713	56,620
	Corporate services ⁽⁵⁾	41,460	34,640	33,263
	Other services	21,839	20,936	17,705
	Staff costs for construction and renovation work capitalized ⁽⁴⁾	4,618	4,674	11,864
	Purchases of goods and services	315	567	186
	Sale and purchase of assets:			
	Sale of property and equipment	9,509	914	8
	Transfer-in of other long-term assets	31,193	5,527	2,423
	Purchase of property and equipment	204	8	184

- (1) These revenues primarily represented the standalone selling prices of the complimentary services (including rooms, food and beverage and entertainment services) provided to Studio City Casino's gaming patrons and charged to MRM. For the years ended December 31, 2024, 2023 and 2022, the related party rooms and food and beverage revenues and entertainment revenues aggregated to \$179,936, \$151,153 and \$25,538, respectively, of which \$150,135, \$113,942 and \$22,884 related to Studio City Casino's gaming patrons and \$29,801, \$37,211 and \$2,654 related to non-Studio City Casino's gaming patrons, respectively.
- (2) Services provided by the Company to Melco 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 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) These staff costs included share-based compensation expenses.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued
(In thousands, except share and per share data)

19. RELATED PARTY TRANSACTIONS - continued

- (5) Corporate services are provided to the Company by Melco and its subsidiaries. These services include, but are not limited to, general corporate services and senior executive management services for operational purposes.

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. Lawrence Yau Lung Ho (“Mr. Ho”), a director of SCIH, was purchased by SCF for a consideration of \$30,000. As of December 31, 2024 and 2023, Mr. Ho and his controlled entity held an aggregate principal amount of \$30,000 and \$60,000 of SCF Senior Notes, respectively. As of December 31, 2024 and 2023, an independent director of SCIH held an aggregate principal amount of \$600 of SCC Senior Notes in each of those years.

During the years ended December 31, 2024, 2023 and 2022, total interest expense of \$2,508, \$3,300 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, 2024, 2023 and 2022, total interest expense of \$44, \$30 and \$14 in relation to the SCC Senior Notes, was paid or payable to the independent director of SCIH, respectively.

(a) Receivables from Affiliated Companies

The outstanding balances as of December 31, 2024 and 2023 are receivables from Melco’s subsidiaries mainly arising from operating income or prepayment of operating expenses, and are unsecured, non-interest bearing and repayable on demand.

(b) Payables to Affiliated Companies

The outstanding balances as of December 31, 2024 and 2023 are payables to Melco International and its subsidiaries mainly arising from operating expenses, and are unsecured, non-interest bearing and repayable on demand.

20. 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, 2024 and 2023, 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 \$64,704, \$68,924 and \$427,659 for the years ended December 31, 2024, 2023 and 2022, 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 expense information in order to assess financial performance. Employee expenses mostly consists of allocated labor costs for non-gaming operations from Melco’s subsidiaries. Depreciation and amortization expenses and interest expense, net of amount capitalized include those recorded with the consolidated statements of operations.

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - continued (In thousands, except share and per share data)

20. SEGMENT INFORMATION - continued

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, 2024, 2023 and 2022.

	Year Ended December 31,		
	2024	2023	2022
Operating revenues:			
Revenue from casino contract	\$ 259,842	\$ 155,527	\$ (56,665)
Rooms	160,721	111,733	17,915
Food and beverage	89,660	62,426	17,489
Entertainment	47,533	61,777	1,649
Services fee	59,529	40,473	21,889
Mall	18,289	10,744	7,189
Retail and other	3,571	2,858	2,082
Total operating revenues	639,145	445,538	11,548
Employee benefits expenses ⁽¹⁾	(146,096)	(103,585)	(60,278)
Depreciation and amortization	(205,060)	(169,397)	(126,956)
Interest expense, net of amounts capitalized	(133,594)	(129,567)	(92,358)
Other segment items ⁽²⁾	(260,226)	(189,073)	(93,263)
Net loss	(105,831)	(146,084)	(361,307)
Net loss attributable to participation interest	9,105	12,567	34,856
Net loss attributable to Studio City International Holdings Limited	<u>\$ (96,726)</u>	<u>\$ (133,517)</u>	<u>\$ (326,451)</u>

- (1) "Employee benefits expenses" includes salaries, bonuses and incentives, benefits and allocated labor costs for non-gaming operations from Melco's subsidiaries. Certain amounts of "Employee benefits expenses" are included in "Other segments items" as pre-opening costs, share-based compensation 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's subsidiaries, pre-opening costs, property charges and other, interest income, net foreign exchange (losses) gains, (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,	
	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 28	\$ 28
Receivables from a subsidiary	8,536	6,330
Prepaid expenses and other current assets	23	3
Total current assets	8,587	6,361
Investments in subsidiaries	592,643	668,012
Total assets	\$ 601,230	\$ 674,373
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accrued expenses and other current liabilities	\$ 304	\$ 1,503
Payables to affiliated companies	338	346
Payables to subsidiaries	9,853	6,420
Total current liabilities	10,495	8,269
Total liabilities	10,495	8,269
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 (losses)	8,701	(12,656)
Accumulated losses	(1,895,409)	(1,798,683)
Total shareholders' equity	590,735	666,104
Total liabilities and shareholders' equity	\$ 601,230	\$ 674,373

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,		
	2024	2023	2022
Operating revenues	\$ —	\$ —	\$ —
Operating costs and expenses	(119)	—	(12)
Operating loss	(119)	—	(12)
Non-operating expenses:			
Foreign exchange gains (losses), net	3	(2)	(2)
Other income, net	116	—	—
Share of results of subsidiaries	(96,726)	(133,515)	(326,437)
Total non-operating expenses	(96,607)	(133,517)	(326,439)
Loss before income tax	(96,726)	(133,517)	(326,451)
Income tax expense	—	—	—
Net loss	\$ (96,726)	\$ (133,517)	\$ (326,451)

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,		
	2024	2023	2022
Net loss	\$ (96,726)	\$ (133,517)	\$ (326,451)
Other comprehensive income (loss):			
Foreign currency translation adjustments	21,357	(985)	(5,535)
Other comprehensive income (loss)	21,357	(985)	(5,535)
Total comprehensive loss	<u>\$ (75,369)</u>	<u>\$ (134,502)</u>	<u>\$ (331,986)</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,		
	2024	2023	2022
Cash flows from operating activities:			
Net cash provided by operating activities	\$ —	\$ 1	\$ 830
Cash flow from an investing activity:			
Capital contribution to a subsidiary	—	—	(300,000)
Cash used in an investing activity	—	—	(300,000)
Cash flow from a financing activity:			
Net proceeds from issuance of shares	—	—	299,159
Cash provided by a financing activity	—	—	299,159
Increase (decrease) in cash and cash equivalents	—	1	(11)
Cash and cash equivalents at beginning of year	28	27	38
Cash and cash equivalents at end of year	\$ 28	\$ 28	\$ 27

STUDIO CITY INTERNATIONAL HOLDINGS LIMITED

ADDITIONAL INFORMATION - FINANCIAL STATEMENT SCHEDULE 1

FINANCIAL INFORMATION OF PARENT COMPANY

NOTES TO CONDENSED 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, 2024, approximately \$657,000 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, 2024, 2023 and 2022. SCIH did not receive any cash dividend from its subsidiary during the years ended December 31, 2024, 2023 and 2022.

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.

WHITE & CASE

Dated 29 November 2024

Credit Facilities Agreement

between

Studio City Investments Limited
as Parent

Studio City Company Limited
as Borrower

Bank of China Limited, Macau Branch
as Agent

Industrial and Commercial Bank of China (Macau) Limited
as Common Security Agent

and others

White & Case
16th Floor, York House, The Landmark
15 Queen's Road Central
Hong Kong

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Between:

- (1) **STUDIO CITY INVESTMENTS LIMITED**, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673083), whose registered office is at Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands (the “**Parent**”);
- (2) **STUDIO CITY COMPANY LIMITED**, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673603), whose registered office is at Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands (the “**Borrower**”);
- (3) **THE PERSONS** listed in Part 2 of Schedule 1 (*Original Parties*) as guarantors (the “**Original Guarantors**”);
- (4) **THE FINANCIAL INSTITUTION** listed in Part 1 of Schedule 1 (*Original Parties*) as the original lenders (the “**Original Lenders**”);
- (5) **BANK OF CHINA LIMITED, MACAU BRANCH**, incorporated with limited liability under the laws of the People’s Republic of China as facility agent of the other Finance Parties (the “**Agent**”);
- (6) **INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**, incorporated with limited liability under the laws of the Macau SAR as security agent and trustee for the Secured Parties (the “**Common Security Agent**”);
- (7) **INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**, incorporated with limited liability under the laws of the Macau SAR as agent for the Common Security Agent under the Power of Attorney (the “**POA Agent**”); and
- (8) **BANK OF CHINA LIMITED, MACAU BRANCH**, incorporated with limited liability under the laws of the People’s Republic of China as the green loan coordinator (the “**Green Loan Coordinator**”).

It is agreed:

SECTION 1 INTERPRETATION

1. Definitions and interpretation

1.1 Definitions

In this Agreement, having regard in particular to paragraph (j) of Clause 1.2 (*Construction*):

“**2016 Credit Facility Agreement**” has the meaning given to that term in the Intercreditor Agreement.

“**Acceleration Event**” means an Event of Default in respect of which the Agent has taken any action pursuant to paragraph (b) or (c) of Clause 24.19 (*Acceleration*) in respect of the full principal amount of each of the Utilisation(s) then outstanding in respect of the Facilities.

“**Acceptable Bank**” means:

- (a) a bank or financial institution which has a rating for its long-term unsecured and non credit-enhanced debt obligations of A- or higher by Standard & Poor’s or Fitch or A3 or higher by Moody’s or a comparable rating from an internationally recognised credit rating agency;

- (b) each of Bank of China Limited, Macau Branch, Banco Nacional Ultramarino, S.A., China Construction Bank (Macau) Corporation Limited, Banco Comercial Português, S.A., Macau Branch, Banco Comercial de Macau, S.A., Tai Fung Bank Limited, Wing Lung Bank Limited, Macau Branch, The Bank of East Asia Limited, Macau Branch, Bank of Communications Co., Ltd. Macau Branch, First Commercial Bank, Macau, Ta Chong Bank;
- (c) any Finance Party or an Affiliate of any Finance Party; or
- (d) any other bank or financial institution approved by the Agent.

“**Accession Letter**” means a document substantially in the form set out in Schedule 6 (*Form of Accession Letter*).

“**Additional Guarantor**” means a company which becomes a Guarantor in accordance with Clause 27 (*Changes to the Obligors*).

“**Additional High Yield Note Documents**” means any indenture or similar agreement governing Additional High Yield Notes and each other document or instrument which relates to any Additional High Yield Notes or, as the case may be, Additional High Yield Note Refinancing Indebtedness.

“**Additional High Yield Note Refinancing**” has the meaning given to that term in the Intercreditor Agreement.

“**Additional High Yield Note Refinancing Indebtedness**” has the meaning given to that term in the Intercreditor Agreement.

“**Additional High Yield Notes**” has the meaning given to that term in the Intercreditor Agreement.

“**Affiliate**” means, in relation to any person, any other person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such person. For purposes of this definition, “**control**” means, in relation to a person, the power, directly or indirectly, to (a) vote 20 per cent. or more of the shares or other securities having ordinary voting power for the election of the board of directors (or persons performing similar functions) of such person or (b) direct or cause the direction of the management and policies of such person, whether by contract or otherwise.

“**Agent’s Spot Rate of Exchange**” means the Agent’s spot rate of exchange for the purchase of one currency with the Base Currency in the Hong Kong SAR foreign exchange market at or about 11:00 a.m. on a particular day.

“**Amended Land Concession**” means (i) the land concession of a plot of land with an area of 130,789 sq. meters located in the reclaimed land zone between Taipa and Coloane Island, designated as Lotes G300, G310 and G400 registered with the Macau Real Estate Registry under no. 23059, granted by way of lease by the Macau SAR to Propco pursuant to Dispatch no. 100/2001 of the Secretary for Transport and Public Works dated 9 October 2001 and published in the Macau Official Gazette no. 42, II Series on 17 October 2001, as amended in accordance with Dispatch no. 31/2012 of the Secretary for Public Works dated 19 July 2012 and published in the Macau Official Gazette No. 30, II Series on 25 July 2012, as further amended in accordance with Dispatch no. 92/2015 of the Secretary for Public Works dated 10 September 2015 and published in the Macau Official Gazette no. 38, II Series on 23 September 2015 and, on and from 30 December 2022, as adjusted by the transfer of a 43.8/1000 interest (and delivery of the corresponding gaming area) to Macau SAR (with Propco retaining the remaining 956.2/1000 interest in the Property under the said lease), and as may be further amended and supplemented from time to time and (ii) any other land concession with respect to the Property which is granted to one or more of the members of the Group in replacement of the land concession referred to in (i).

“Amendment and Restatement Agreement (Intercreditor Agreement)” means the amendment and restatement agreement dated 7 February 2022 between, among others, the Borrower, the Parent and the Common Security Agent.

“Anti-Terrorism Law” means each of:

- (a) the Executive Order;
- (b) the USA Patriot Act;
- (c) the Money Laundering Control Act of 1986, Public Law 99-570 and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency;
- (d) the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq, the Trading with the Enemy Act, 50 U.S.C. App. §§ 1 et seq, any executive order or regulation promulgated thereunder and administered by OFAC;
- (e) the U.S. Foreign Corrupt Practices Act of 1977;
- (f) the Iran Sanctions Act of 1996 and the Comprehensive Iran Sanctions, Accountability and Divestment Act of 2010; and
- (g) any similar sanctions, restrictions or embargoes enacted or imposed by Australian Department of Foreign Affairs and Trade, Reserve Bank of Australia, the United Nations, the European Union, the State Secretariat for Economic Affairs of Switzerland, OFAC, HM Treasury of the United Kingdom, the Hong Kong Monetary Authority, the Monetary Authority of Singapore, the Macau Monetary Authority or any other body notified in writing by the Agent (acting on behalf of any Lender) to the Borrower from time to time.

“Asset Sale” has the meaning given to that term in Schedule 11 (*Definitions*).

“Assignment Agreement and Lender Accession Undertaking” means an agreement substantially in the form set out in Schedule 5 (*Form of Assignment Agreement and Lender Accession Undertaking*) or any other form agreed between the relevant assignor and assignee.

“Auditors” means (a) any one of PricewaterhouseCoopers, Ernst & Young, KPMG and Deloitte & Touche, (b) any Affiliate of any auditor referred to in (a) or any entity resulting from amalgamation of any auditor referred to in (a) or (c) any firm of independent public accountants with at established national reputation, in each case that has the necessary skills and experience to audit a group of companies such as the Group.

“Authorisation” means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

“Availability Period” means:

- (a) in relation to a Facility, the period from and including the date of this Agreement up to and including the date falling one Month prior to the Final Repayment Date for that Facility; and
- (b) in relation to each Incremental Facility Increase, the period set out in the Incremental Facility Increase Notice applicable to such Incremental Facility Increase, *provided that* no such period may commence on or before the first Utilisation Date in respect of the relevant Facility.

“**Available Commitment**” means, in relation to a Facility, a Lender’s Commitment under that Facility minus:

- (a) the Base Currency Amount of its participation in any outstanding Utilisations under that Facility; and
- (b) in relation to any proposed Utilisation, the Base Currency Amount of its participation in any other Utilisations that are due to be made under that Facility on or before the proposed Utilisation Date.

For the purposes of calculating a Lender’s Available Commitment in relation to any proposed Utilisation under any Facility, that Lender’s participation in any Loans that are due to be repaid or prepaid on or before the proposed Utilisation Date as relating to that Facility shall not be deducted from a Lender’s Commitment under that Facility.

“**Available Facility**” means, in relation to a Facility, the aggregate for the time being of each Lender’s Available Commitment in respect of that Facility.

“**Base Currency**” means Hong Kong dollars.

“**Base Currency Amount**” means:

- (a) in relation to a Utilisation, the amount specified in the Utilisation Request delivered by the Borrower for that Utilisation (or, if the amount requested is not denominated in the Base Currency, that amount converted into the Base Currency at the Agent’s Spot Rate of Exchange on the date which is three (3) Business Days before the Utilisation Date or, if later, on the date the Agent receives the Utilisation Request in accordance with the terms of this Agreement), as adjusted to reflect any repayment, prepayment, consolidation or division of a Utilisation; and
- (b) in relation to any other amount as at any date which is not denominated in the Base Currency, that amount converted into the Base Currency at the Agent’s Spot Rate of Exchange on that date.

“**Benchmark Rate**” means, in relation to any Loan in an Optional Currency:

- (a) the applicable Screen Rate as of 11:00 a.m. (London time) on the Quotation Date and for a period equal in length to the Interest Period of that Loan; or
- (b) as otherwise determined pursuant to Clause 13.1 (*Absence of quotations*),

and if, in either case, that rate is less than zero, the Benchmark Rate shall be deemed to be zero.

“**Bondco**” has the meaning given to that term in the Intercreditor Agreement.

“**Bondco Loan**” has the meaning given to that term in the Intercreditor Agreement.

“**Bondco Loan Agreement**” has the meaning given to that term in the Intercreditor Agreement.

“**Break Costs**” means the amount (if any) by which:

- (a) the interest excluding the Margin which a Lender should have received for the period from the date of receipt of all or any part of its participation in a Loan or Unpaid Sum to the last day of the current Interest Period in respect of that Loan or Unpaid Sum, had the principal amount or Unpaid Sum received been paid on the last day of that Interest Period;

exceeds:

- (b) the amount which that Lender would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank in the Relevant Interbank Market for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period.

“**BREEAM**” means Building Research Establishment Environmental Assessment Method.

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are open for general business in the Macau SAR, the Hong Kong SAR and London and:

- (a) (in relation to any date for payment or purchase of USD) New York;
- (b) (in relation to any date for payment or purchase of a currency other than the Base Currency or USD) the principal financial centre of the country of that currency; and
- (c) (in relation to the fixing of an interest rate relating to a Term SOFR Loan) which is a US Government Securities Business Day.

“**Cancellation Notice**” has the meaning given to that term in paragraph (b) of Clause 37.5 (*Replaceable Lenders*).

“**Cash**” means, at any time, cash on hand or cash at bank credited to an account in the name of an Obligor with an Acceptable Bank and in each case to which an Obligor is alone (or with one or more other Obligors) beneficially entitled and for so long as:

- (a) that cash is repayable on demand;
- (b) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any member of the Group or of any other person whatsoever or on the satisfaction of any other condition;
- (c) there is no Security over that cash except Transaction Security or Security falling within paragraphs (8), (9), (10), (14)(i), (14)(ii), (21), (23), (26) and (27) of the definition of “Permitted Liens” in Schedule 11 (*Definitions*); and
- (d) subject to (a) above, such cash is freely and immediately available to be applied in repayment or prepayment of the Facilities.

“**Cash Equivalent Investments**” means at any time:

- (a) certificates of deposit maturing within one year after the relevant date of calculation and issued by an Acceptable Bank;
- (b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, Hong Kong SAR, Japan, the United Kingdom, Australia, any member state of the European Union or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable to any other security;
- (c) commercial paper not convertible or exchangeable to any other security:
 - (i) for which a recognised trading market exists;
 - (ii) issued by an issuer incorporated in the United States of America, the United Kingdom, any member of the European Economic Area or any Participating Member State;
 - (iii) which matures within one year after the relevant date of calculation; and

- (iv) which has a credit rating of either A-1 or higher by Standard & Poor's or F1 or higher by Fitch or P-1 by Moody's, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non credit-enhanced debt obligations, an equivalent rating;
- (d) any investment accessible within 30 days in money market funds which (i) have a credit rating of either A-1 or higher by Standard & Poor's or F1 or higher by Fitch or P-1 by Moody's and (ii) which invest substantially all their assets in securities of the types described in paragraphs (a) to (c) above; or
- (e) any other debt security approved by the Majority Lenders,

in each case, to which any member of the Group is beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any Security (other than Security arising under the Transaction Security Documents).

"Change of Control" has the meaning given to that term in Schedule 11 (*Definitions*).

"Charged Property" has the meaning given to that term in the Intercreditor Agreement.

"Code" means the US Internal Revenue Code of 1986.

"Commitment" means a Revolving Facility (General) Commitment or Revolving Facility (Green) Commitment (as applicable).

"Competitor" means any of the following:

- (a) Genting Berhad;
- (b) Caesars Entertainment Corporation;
- (c) any gaming concessionaire in the Macau SAR (other than Melco Resorts Macau);
- (d) any Subsidiary or Affiliate of any of the above;
- (e) any trust, fund or other entity controlled (as defined in the definition of **"Affiliate"** herein) by any of the above; and
- (f) any entity which is agreed between the relevant Lender and the Borrower to be a **"Competitor"** in accordance with the requirements of Clause 25.2 (*Conditions of assignment or transfer*).

"Compliance Certificate" means a certificate delivered pursuant to Clause 22.4A (*Compliance Certificate*) and signed by a duly authorised Officer of the Borrower or the Parent substantially in the form set out in Schedule 14 (*Form of Compliance Certificate*).

"Compliance Certificate (SCIH)" has the meaning given to that term in paragraph (b) of Clause 22.4A (*Compliance Certificate*).

"Compliance Sale" has the meaning given to that term in Schedule 11 (*Definitions*).

"Confidential Information" means all information relating to the Parent, the Borrower, any Obligor, any Grantor, the Site, the Property, the Services and Right to Use Agreement, the Reimbursement Agreement, the Finance Documents or a Facility of which a Finance Party becomes aware in its capacity as, or for the purpose of becoming, a Finance Party or which is received by a Finance Party in relation to, or for the purpose of becoming a Finance Party under, the Finance Documents or a Facility from either:

- (a) any member of the Group or any of its advisers; or

- (b) another Finance Party, if the information was obtained by that Finance Party directly or indirectly from any member of the Group or any of its advisers,

in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:

- (i) is or becomes public information other than as a direct or indirect result of any breach by that Finance Party of Clause 38 (*Disclosure of information*);
- (ii) is identified in writing at the time of delivery as non-confidential by any member of the Group or any of its advisers; or
- (iii) is known by that Finance Party before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or is lawfully obtained by that Finance Party after that date, from a source which is, as far as that Finance Party is aware, unconnected with the Group and which, as far as that Finance Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality.

“Confidentiality Undertaking” means a confidentiality undertaking substantially in a recommended form of the LMA or in any other form agreed between the Borrower and the Agent.

“Confirmatory Security Documents” means each agreement, deed, acknowledgement, confirmation, amendment or other instrument listed in Schedule 15 (*Confirmatory Security Documents*).

“Conflicted Lender” means any Lender (which term, for the purposes of this definition shall include any Affiliate of that Lender) which is or is acting on behalf of (including in its capacity as the grantor of a participation or any other agreement pursuant to which such rights may pass) any of the following:

- (a) a Competitor;
- (b) any investor or equity holder in a Competitor; or
- (c) an advisor to any such person referred to in paragraph (a) or (b) above,

in each case, whether before or after such person becomes a Lender and including where a Lender notifies the Agent that it is such (in a Transfer Certificate, Assignment Agreement and Lender Accession Undertaking or otherwise) and where it has been notified as such to the Agent by the Borrower (acting reasonably and in good faith).

“Constitutional Documents” means, collectively, in relation to any person, any certificate of incorporation, memorandum and articles of association, bylaws, shareholders’ agreement, certificate of formation, limited liability company agreement, partnership agreement and any other formation or constituent documents applicable to such person.

“Contractor” means the architects, consultants, designers, contractors, suppliers and other persons engaged by any Obligor in connection with the design, engineering, development, construction, installation, maintenance or operation of the Property.

“Core Components” means core components of the Green Loan Principles as may be amended from time to time, including “Use of Proceeds”, “Process for Project Evaluation and Selection”, “Management of Proceeds” and “Reporting”, each as more specifically described in the Green Loan Principles.

“Credit Facility Creditors” has the meaning given to that term in the Intercreditor Agreement.

“**Credit Facility Documents**” has the meaning given to that term in the Intercreditor Agreement.

“**Credit Facility Liabilities**” has the meaning given to that term in the Intercreditor Agreement.

“**Debt Purchase Transaction**” means, in relation to a person, a transaction where such person:

- (a) purchases by way of assignment or transfer;
- (b) enters into any sub-participation in respect of; or
- (c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of, any Commitment or amount outstanding under this Agreement.

“**Declassification Event**” means:

- (a) any determination by the Green Loan Coordinator (acting reasonably) or the Agent (acting on the instructions of the Majority Lenders) that the Borrower has failed to perform or comply with any of its obligations under Clause 22.13 (*Green Loan Information Undertaking*) and/or Clause 23.18 (*Green Loan Provisions*);
- (b) any determination by the Green Loan Coordinator (acting reasonably) or the Agent (acting on the instructions of the Majority Lenders) that any Eligible Green Asset or the Revolving Facility (Green) is no longer (or may no longer be) in compliance with the Green Loan Principles;
- (c) at any time the Agent and the Green Loan Coordinator receive a written notice from the Borrower requesting that the Revolving Facility (Green) and/or any Revolving Facility (Green) Loan shall no longer be classified as a green facility and/or a green loan; or
- (d) at any time any property under the Phase II Project fails to achieve and/or maintain a BREEAM certification in respect of the Phase II Project pursuant to the applicable requirements of BREEAM,

in each case, provided that no Declassification Event will occur if the failure to comply or such determination by the Agent or Green Loan Coordinator is capable of remedy and is remedied within ten (10) Business Days of:

- (A) (in respect of paragraphs (a) or (b)) the Agent (acting on the instructions of the Majority Lenders) or Green Loan Coordinator (acting reasonably) giving notice to the Borrower;
- (B) (in respect of paragraph (d)) the Agent (acting on the instructions of the Majority Lenders) or Green Loan Coordinator (acting reasonably) giving notice to the Borrower or the Borrower becoming aware of the failure to comply or the determination by the Agent or the Green Loan Coordinator, whichever is the earlier.

“**Default**” means an Event of Default or any event or circumstance specified in Clause 24 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination in accordance with the Finance Documents or any combination of any of the foregoing) be an Event of Default.

“Defaulting Lender” means any Lender (other than a Lender which is a Sponsor Affiliate):

- (a) which has failed to make its participation in a Loan available or has notified the Agent that it will not make its participation in a Loan available by the Utilisation Date of that Loan in accordance with Clause 5.4 (*Lenders’ participation*);
- (b) which has otherwise rescinded or repudiated a Finance Document; or
- (c) with respect to which an Insolvency Event has occurred and is continuing,

unless, in the case of paragraph (a) above:

- (i) its failure to pay is caused by:
 - (A) administrative or technical error; or
 - (B) a Disruption Event; andpayment is made within three (3) Business Days of its due date; or
- (ii) the Lender is disputing in good faith whether it is contractually obliged to make the payment in question.

“Delegate” means any delegate, agent, attorney or co-trustee appointed by the Common Security Agent.

“Disposal” means a sale, lease, licence, transfer, loan or other disposal by a person of any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions).

“Disruption Event” means either or both of:

- (a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facilities (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or
- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other Party:
 - (i) from performing its payment obligations under the Finance Documents; or
 - (ii) from communicating with other Parties in accordance with the terms of the Finance Documents,and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

“Eligible Green Asset” means each property under the Phase II Project which has achieved a standing of at least “Excellent” in a BREEAM certification in respect of the design of that property pursuant to the applicable requirements of BREEAM.

“Enforcement Notice” has the meaning given to that term in the Intercreditor Agreement.

“Environmental Claim” means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

“**Environmental Law**” means any applicable law or regulation which relates to:

- (a) the pollution or protection of the environment;
- (b) harm to or the protection of human health;
- (c) the conditions of the workplace; or
- (d) any emission or substance capable of causing harm to any living organism or the environment.

“**Environmental Permits**” means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any member of the Group conducted on or from the properties owned or used by any member of the Group.

“**Event of Default**” means any event or circumstance specified as such in Clause 24 (*Events of Default*).

“**Executive Order**” means Executive Order No. 13224 of 23 September 2001—Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism.

“**Facility**” means each of the Revolving Facility (General) and the Revolving Facility (Green).

“**Facility Office**” means:

- (a) in respect of a Lender, the office or offices notified by that Lender to the Agent in writing on or before the date it becomes a Lender (or, following that date, by not less than five (5) Business Days’ written notice) as the office or offices through which it will perform its obligations under this Agreement; or
- (b) in respect of any other Finance Party, the office in the jurisdiction in which it is resident for tax purposes.

“**FATCA**” means:

- (a) sections 1471 to 1474 of the Code or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraph (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

“**FATCA Application Date**” means:

- (a) in relation to a “withholdable payment” described in section 1473(1)(A)(i) of the Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014; or
- (b) in relation to a “passthru payment” described in section 1471(d)(7) of the Code not falling within paragraph (a) above, the first date from which such payment may become subject to a deduction or withholding required by FATCA.

“**FATCA Deduction**” means a deduction or withholding from a payment under a Finance Document required by FATCA.

“FATCA Exempt Party” means a Party that is entitled to receive payments free from any FATCA Deduction.

“Fee Letter” means any letter or letters setting out any of the fees referred to in clause 21.29 (*Common Security Agent’s fee*) of the Intercreditor Agreement, clause 22.2 (*POA Agent’s fee*) of the Intercreditor Agreement or clause 23.23 (*Intercreditor Agent’s fee*) of the Intercreditor Agreement, any letter or letters between the Borrower and an Increase Lender setting out any fee referred to in paragraph (f) of Clause 2.2 (*Increase*), any letter or letters between the Borrower and an Incremental Facility Increase Lender setting out any fee referred to in Clause 5B.3 (*Terms of Incremental Facility Increases*), and any other letter or letters between a Finance Party and an Obligor that is designated as a “Fee Letter” by the relevant Finance Party and that Obligor (including, but not limited to, those that set out any of the fees referred to in Clause 14 (*Fees*)).

“Final Repayment Date” means the fifth anniversary of the date of this Agreement, *provided that* if any such date is not a Business Day, the Final Repayment Date shall be the immediately preceding Business Day.

“Finance Document” means:

- (a) this Agreement;
- (b) any Accession Letter;
- (c) any Fee Letter;
- (d) the Intercreditor Agreement;
- (e) the Amendment and Restatement Agreement (Intercreditor Agreement);
- (f) any Transaction Security Document;
- (g) any Transfer Certificate or Assignment Agreement and Lender Accession Undertaking;
- (h) any Compliance Certificate;
- (i) any Green Loan Compliance Certificate;
- (j) any Compliance Certificate (SCIH);
- (k) any Utilisation Request;
- (l) any Incremental Facility Increase Notice;
- (m) any Incremental Facility Increase Document;
- (n) any Incremental Facility Increase Lender Accession Deed;
- (o) the SCIH Guarantee; and
- (p) any other document designated as a “Finance Document” by the Agent and the Borrower.

“Finance Party” means the Agent, the Common Security Agent, the Intercreditor Agent, the Lenders, any Incremental Facility Increase Lender, the POA Agent and the Green Loan Coordinator.

“Financial Indebtedness” means any indebtedness for or in respect of:

- (a) monies borrowed;

- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the GAAP, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold or discounted on a non-recourse basis);
- (f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value as at the relevant date on which Financial Indebtedness is calculated (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (h) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 180 days after the date of supply;
- (i) any amount raised by the issue of redeemable shares;
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing; and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

“**Financial Model**” means the final version of the financial model agreed between the Borrower and the Agent prior to the signing of this Agreement.

“**Financial Quarter**” has the meaning given to that term in Clause 22A.1 (*Financial definitions*).

“**Financial Year**” has the meaning given to that term in Clause 22A.1 (*Financial definitions*).

“**First Test Date**” has the meaning given to that term in Clause 22A.1 (*Financial definitions*).

“**Fitch**” means Fitch Ratings Ltd.

“**GAAP**” means the generally accepted accounting principles in the United States of America as in effect from time to time.

“**Gaming Concession**” means the agreement executed between Macau SAR and Melco Resorts Macau on 16 December 2022, that sets out the terms and conditions for the operation of games of chance and other games in casino by Melco Resorts Macau in Macau SAR or any other Gaming Licence (as defined in Schedule 11 (*Definitions*)).

“**Gaming Laws**” has the meaning given to that term in Schedule 11 (*Definitions*).

“**Golden Share**” means any share in a company or corporation, the memorandum and/or articles of association in respect of which company or corporation designate as such or give the holder of such share any special pre-emptive rights relative to other shareholders.

“Governmental Authority” means, as to any person, the government of the Macau SAR, any other national, state, provincial or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, in each case having jurisdiction over such person, or any arbitrator with authority to bind such person at law.

“Grantor” means:

- (a) each of Melco Resorts Macau and SCH5; and
- (b) each other person (other than an Obligor) that grants Security under any Transaction Security Document after the date of this Agreement.

“Green Loan Compliance Certificate” means, in respect of any proposed Revolving Facility (Green) Loan, a certificate signed by one duly authorised Officer of the Borrower certifying that the Borrower is applying the proceeds of such Revolving Facility (Green) Loan in a manner which is in compliance with the Green Loan Principles, substantially in the form set out in Schedule 16 (*Form of Green Loan Compliance Certificate*).

“Green Loan Information” means:

- (a) any information delivered pursuant to Clause 22.13 (*Green Loan Information Undertaking*); or
- (b) any other written information that has been:
 - (i) provided by or on behalf of a member of the Group (or on behalf of any other member of the Group, including its advisers) to a Finance Party or a Second Party Opinion Provider; or
 - (ii) approved in writing by any member of the Group,in connection with, and to the extent it relates to establishing the “green” status of the Revolving Facility (Green) and/or the Revolving Facility (Green) Loans, the Eligible Green Assets and/or the Second Party Opinion, in each case, pursuant to this Agreement.

“Green Loan Principles” means the Green Loan Principles and/or Social Loan Principles which were jointly published by the Loan Market Association, the APLMA and the Loan Syndications and Trading Association in February 2023, as may be updated and/or amended from time to time.

“Group” means the Parent and each of its Subsidiaries from time to time (each a **“Group Member”**).

“Group Structure Chart” means the corporate structure chart in the agreed form prepared by the Borrower and delivered to the Agent prior to the date of this Agreement, describing (amongst other things) (i) the ownership structure of the Group, the Original Bondco and SCIH and (ii) all Financial Indebtedness of the Obligors owed to the direct and indirect shareholders of the Parent and all guarantees by the Obligors of Financial Indebtedness of such persons, in each case, indicating whether or not such Financial Indebtedness or guarantee is subordinated to the Secured Obligations.

“Guarantor” means an Original Guarantor or an Additional Guarantor.

“HIBOR” means, in relation to any Loan denominated in HK dollars and any Interest Period relating thereto:

- (a) the applicable Screen Rate;
- (b) if no Screen Rate is available for HK dollars for the Interest Period of that Loan, the Interpolated Screen Rate; or
- (c) if no Screen Rate is available for the Interest Period of that Loan and it is not possible to calculate an Interpolated Screen Rate for that Loan, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Agent at its request quoted by the Reference Banks to leading banks in the Relevant Interbank Market,

at or about 11:00 a.m. on the Quotation Date for the Base Currency and for a period comparable to the Interest Period for that Loan, and if any such rate is less than zero, such rate shall be deemed to be zero.

“High Yield Note Document” means each High Yield Note Indenture, each Bondco Loan Agreement and each other document or instrument which relates to any High Yield Notes or, as the case may be, High Yield Note Refinancing Indebtedness.

“High Yield Note Guarantees” means the guarantees provided by any Obligor:

- (a) to the High Yield Note Trustee in respect of the High Yield Notes issued prior to the date of this Agreement; or
- (b) in respect of any Additional High Yield Note, Additional High Yield Note Refinancing Indebtedness or High Yield Note Refinancing Indebtedness.

“High Yield Note Indenture” means the indenture dated 26 November 2012 made between (among others) the Original Bondco and the High Yield Note Trustee or any equivalent High Yield Note Document in respect of any High Yield Note Refinancing Indebtedness issued by way of debt securities (in each case, as amended or supplemented from time to time).

“High Yield Note Refinancing” means a refinancing of any amount outstanding under or in connection with the High Yield Notes issued prior to the date of this Agreement or any Successor High Yield Notes from the proceeds of an issue by a Bondco of high yield notes or other Financial Indebtedness (each, **“High Yield Note Refinancing Indebtedness”**) where:

- (a) the terms thereof are no less favourable to the Finance Parties than the terms of the High Yield Notes issued prior to the date of this Agreement (and do not have an adverse effect on the interests of the Finance Parties);
- (b) the terms thereof (including, without limitation, the terms of any related guarantees, security or other credit support) are no more onerous to any Obligor (for the avoidance of doubt, an increase in pricing payable by any Obligor when compared to the High Yield Notes shall be more onerous) and do not provide for any redemptions on a date falling prior to the last Termination Date applicable to the Facilities; and
- (c) the scope (including the assets subject to security, the persons giving security, guarantees or other credit support and the amount of financial obligations guaranteed, secured or supported by any Obligor) of any security, guarantees or credit support given in connection with such High Yield Notes Refinancing Indebtedness by any Obligor shall be no greater than the security, guarantees and credit support granted (and financial obligations guaranteed, secured or supported by any Obligor) pursuant to the High Yield Note Documents entered into prior to the date of this Agreement.

“High Yield Note Trustee” means DB Trustees (Hong Kong) Limited (or its permitted successor or assign) as trustee for the High Yield Noteholders on the terms set out in the High Yield Note Indenture or its equivalent under any other High Yield Note Document.

“**High Yield Noteholders**” means the holders of the High Yield Notes or High Yield Note Refinancing Indebtedness from time to time issued by way of debt securities.

“**High Yield Notes**” means the US\$825,000,000 8.500% senior notes due 2020 which were issued by the Original Bondco and subject to the terms of the High Yield Note Indenture dated 26 November 2012 or any Financial Indebtedness incurred by way of High Yield Note Refinancing.

“**Historic Term SOFR**” means, in relation to any Term SOFR Loan, the most recent Term SOFR for a period equal in length to the Interest Period of that Term SOFR Loan and which is as of a US Government Securities Business Day which is no more than three US Government Securities Business Days before the Quotation Date.

“**HK\$**”, “**HKD**”, “**Hong Kong dollars**” or “**HK dollars**” denotes the lawful currency of the Hong Kong SAR.

“**Hong Kong SAR**” means the Hong Kong Special Administrative Region of the People’s Republic of China.

“**Illegal Lender**” means a Lender whom an Obligor is or becomes obliged to repay or prepay pursuant to Clause 8.1 (*Illegality*).

“**Impaired Agent**” means the Agent at any time when:

- (a) it has failed to make (or has notified a Party that it will not make) a payment required to be made by it under the Finance Documents by the due date for payment;
- (b) it otherwise rescinds or repudiates a Finance Document;
- (c) (if the Agent is also a Lender) it is a Defaulting Lender under paragraph (a) or (b) of the definition of “Defaulting Lender”; or
- (d) an Insolvency Event has occurred and is continuing with respect to the Agent;

unless, in the case of paragraph (a) above:

- (i) its failure to pay is caused by:
 - (A) administrative or technical error; or
 - (B) a Disruption Event; andpayment is made within three (3) Business Days of its due date; or
- (ii) the Agent is disputing in good faith whether it is contractually obliged to make the payment in question.

“**Increase Confirmation**” means a confirmation substantially in the form set out in Schedule 9 (*Form of Increase Confirmation*).

“**Increase Lender**” has the meaning given to that term in paragraph (a)(i) of Clause 2.2 (*Increase*).

“**Increased Costs Lender**” means a Lender to whom the Borrower is required to pay Increased Costs under Clause 16 (*Increased Costs*), to make a tax gross-up under Clause 15.2 (*Tax gross-up*) or tax indemnity under Clause 15.3 (*Tax indemnity*).

“**Incremental Facility Increase**” has the meaning given to that term in Clause 5B.1 (*Type of Facility*).

“Incremental Facility Increase Commitments” has the meaning given to that term in paragraph (g)(i) of Clause 5B.2 (*Availability and establishment of Incremental Facility Increases*).

“Incremental Facility Increase Document” means, in relation to an Incremental Facility Increase, each document relating to or evidencing the terms of that Incremental Facility Increase.

“Incremental Facility Increase Lender” has the meaning given to that term in paragraph (g)(i) of Clause 5B.2 (*Availability and establishment of Incremental Facility Increases*).

“Incremental Facility Increase Lender Accession Deed” means a deed of accession substantially in the form set out in Schedule 12 (*Form of Incremental Facility Increase Lender Accession Deed*).

“Incremental Facility Increase Notice” has the meaning given to that term in paragraph (b) of Clause 5B.2 (*Form of Incremental Facility Increase Lender Accession Deed*).

“Indirect Tax” means any goods and services tax, consumption tax, value added tax or any tax of a similar nature.

“Insolvency Event” means, in relation to a Finance Party, that the Finance Party:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official;
- (e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:
 - (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
 - (ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;
- (f) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (g) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, restructuring officer, trustee, custodian or other similar official for it or for all or substantially all its assets;

- (h) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;
- (i) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (h) above; or
- (j) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

“Intellectual Property” means:

- (a) any patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered; and
- (b) the benefit of all applications and rights to use any such assets referred to in paragraph (a) above,

of each member of the Group.

“Intercompany Note Proceeds Loan” has the meaning given to that term in Schedule 11 (*Definitions*).

“Intercreditor Agreement” means the intercreditor agreement entered into between, among others, the Parent, the Borrower, the Original Bondco, the Lenders, the Agent and the Common Security Agent on 1 December 2016 (November 30, 2016 New York time) (as amended and/or restated from time to time, including as amended and restated by the Amendment and Restatement Agreement (Intercreditor Agreement)).

“Interest Period” means, in relation to a Loan, each period determined in accordance with Clause 12 (*Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 11.3 (*Default interest*).

“Interpolated Historic Term SOFR” means, in relation to any Term SOFR Loan, the rate (rounded to the same number of decimal places as the Term SOFR) which results from interpolating on a linear basis between:

- (a) either:
 - (i) the most recent Term SOFR (as of a day which is not more than three US Government Securities Business Days before the Quotation Date) for the longest period (for which Term SOFR is available) which is less than the Interest Period of that Term SOFR Loan; or
 - (ii) if no such Term SOFR is available for a period which is less than the Interest Period of that Term SOFR Loan, the most recent Overnight SOFR for a day which is not more than five, and not less than two, US Government Securities Business Days before the Quotation Date; and
- (b) the most recent Term SOFR (as of a day which is not more than three US Government Securities Business Days before the Quotation Date) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period of that Term SOFR Loan.

“Interpolated Screen Rate” means:

- (a) in relation to HIBOR, the rate which results from interpolating on a linear basis (rounded to the same number of decimal places as the two relevant Screen Rates) between:
- (i) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of a Loan; and
 - (ii) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,
- each as of 11:00 a.m. (Hong Kong SAR time) on the Quotation Date for the Base Currency; and
- (b) in relation to a Benchmark Rate for a Loan in an Optional Currency, the rate which results from interpolating on a linear basis (rounded to the same number of decimal places as the two relevant Screen Rates) between:
- (i) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of a Loan; and
 - (ii) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,
- each as of 11:00 a.m. (London time) on the Quotation Date for the relevant Optional Currency.

“Interpolated Term SOFR” means, in relation to any Term SOFR Loan, the rate (rounded to the same number of decimal places as Term SOFR) which results from interpolating on a linear basis between:

- (a) either:
- (i) Term SOFR (as of 11:00 a.m. (Hong Kong SAR time)) for the longest period (for which Term SOFR is available) which is less than the Interest Period of that Term SOFR Loan; or
 - (ii) if no such Term SOFR is available for a period which is less than the Interest Period of that Term SOFR Loan, Overnight SOFR for the day that is two US Government Securities Business Days before the Quotation Date; and
- (b) Term SOFR (as of 11:00 a.m. (Hong Kong SAR time)) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period of that Term SOFR Loan.

“Intra-Group Lender” has the meaning given to that term in the Intercreditor Agreement.

“Intra-Group Liabilities” has the meaning given to that term in the Intercreditor Agreement.

“Joint Venture” means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity.

“Legal Opinion” means any legal opinion delivered to the Agent under or in connection with the conditions precedent referred to in Part 1 of Schedule 2 (*Conditions Precedent*).

“Legal Requirements” means all laws, statutes, orders, decrees, injunctions, licenses, permits, approvals, agreements and regulations of any Governmental Authority having jurisdiction over the matter in question.

“**Legal Reservations**” means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under statutes of limitation;
- (c) similar principles, rights and defences under the laws of any Relevant Jurisdiction; and
- (d) any other matters which are set out as qualifications or reservations as to matters of law of general application in the Legal Opinions.

“**Lender**” means:

- (a) the Original Lenders; and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party as a Lender in accordance with Clause 2.2 (*Increase*), Clause 5B (*Incremental Facility Increases*) or Clause 25 (*Changes to the Lenders*),

which, in each case, has not ceased to be a Lender in accordance with this Agreement, and for which purposes the:

- (i) termination in full of all of the Commitment(s) of any Lender; and
- (ii) payment in full of all amounts which are payable to such Lender under the Finance Documents,

will result in that Lender ceasing to be regarded as a Lender for the purposes of and in relation to any provision of any of the Finance Documents requiring consultation with or the consent or approval of or instruction from all the Lenders, any Majority Lenders and/or any class or all the Lenders.

“**Liabilities**” means all present and future liabilities and obligations at any time of any Obligor to any Finance Party under the Finance Documents, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

- (a) any refinancing, novation, deferral or extension;
- (b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition;
- (c) any claim for damages or restitution; and
- (d) any claim as a result of any recovery by any Obligor of a Payment on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings.

“**LMA**” means the Loan Market Association.

“**Loan**” means a Revolving Facility (General) Loan or a Revolving Facility (Green) Loan (as applicable).

“**LTV Ratio**” means the ratio (expressed as a percentage) of:

- (a) the aggregate principal amount of the Borrowings of SCIH and its Subsidiaries that is secured by (among other things) any asset of or equity interest (including, for the avoidance of doubt, the Loans) as set out in the most recent Annual Financial Statements (SCIH) or Quarterly Financial Statements (SCIH) or the relevant Compliance Certificate (SCIH) obtained by or provided to the Finance Parties pursuant to Clause 4.1 (*Initial conditions precedent*), Clause 22.4 (*Financial statements*), Clause 22.4A (*Compliance Certificate*) or otherwise,

to

- (b) the aggregate amount of the then appraisal value of the Property (as set out in the most recent Valuation Report obtained by or provided to the Finance Parties pursuant to Clause 4.1 (*Initial conditions precedent*) or Clause 22.12 (*Valuation Report*) or otherwise).

“**Macau Obligor**” means any Obligor incorporated in the Macau SAR.

“**Macau SAR**” means the Macau Special Administrative Region of the People’s Republic of China.

“**Maintenance LTV Ratio**” means 50 per cent.

“**Majority Lenders**” means:

- (a) (for the purposes of paragraph (a) of Clause 37.2 (*Required consents*) in the context of a waiver in relation to a proposed Utilisation of a Facility of the condition in Clause 4.2 (*Utilisation conditions precedent*)), a Lender or Lenders whose Commitments aggregate more than 50 per cent. of the Total Commitments in respect of such Facility; and
- (b) (in any other case) a Lender or Lenders whose Commitments aggregate 50 per cent. or more of the sum of the Total Commitments.

“**Margin**” means, subject to adjustment in accordance with Clause 11.5 (*Revolving Facility (Green) Margin Adjustment*):

- (a) in relation to any Loan or Unpaid Sum relating to or referable to a Facility, 2.40 per cent. per annum; and
- (b) in relation to any other Unpaid Sum, the highest rates per annum in the table below,

but if:

- (i) no Event of Default has occurred and is continuing;
- (ii) the Parent has delivered its set of Quarterly Financial Statements for the relevant Financial Quarter and an accompanying Compliance Certificate to the Agent in accordance with Clauses 22.4 (*Financial statements*) and 22.4A (*Compliance Certificate*); and
- (iii) the Most Recent Leverage is within a range set out below,

then the Margin for any Loan (to the extent it does not constitute any Unpaid Sum) will be the percentage per annum set out below in the applicable column opposite that range:

Most Recent Leverage	Applicable Margin (% per annum)
Greater than or equal to 2.00:1:00	2.55
Greater than or equal to 1.00:1:00 but less than 2.00:1:00	2.40
Greater than or equal to 0.50:1:00 but less than 1.00:1:00	2.25
Less than 0.50:1:00	2.00

However:

- (A) any increase or decrease in the Margin for any Loan to be made in connection with the Margin ratchet mechanism above shall take effect from and including the first day of the Interest Period relating to that Loan commencing after the date on which the Compliance Certificate setting out such Most Recent Leverage is delivered to the Agent pursuant to Clause 22.4A (*Compliance Certificate*) (but, for the avoidance of doubt, any increase or decrease in the Margin for the purpose of calculating commitment fees shall take effect from and including the date on which such Compliance Certificate is so delivered to the Agent);
- (B) if and for so long as an Event of Default has occurred and is continuing, the Margin for each Loan shall be the highest percentage per annum set out in the table above;
- (C) if an Event of Default has occurred but is no longer continuing, then the Margin (for each Loan) will be re-calculated on the basis of the Most Recent Leverage (as set out in the applicable Compliance Certificate) and the provisions of this definition (on the assumption that as at the date such Compliance Certificate was delivered no such Event of Default had occurred or was continuing) shall apply with effect from the date that such Event of Default is no longer (and there are no other Events of Default) continuing;
- (D) for the purposes of Clause 11.2 (*Payment of Interest*), if, following receipt by the Agent of the Annual Financial Statements of the Group and related Compliance Certificate, those statements and the Compliance Certificate demonstrate that the Margin should not have been reduced or should have been increased in accordance with the above table, then the relevant provisions of Clause 11.2 (*Payment of Interest*) shall apply and the next payment of interest under the relevant Facility following receipt of the relevant Annual Financial Statements by the Agent shall be increased by such amount as is necessary to put the Agent and the Lenders in the position they should have been in had the appropriate rate of Margin been applied at the time (*provided* that such payments shall only apply to Lenders who were participating in the relevant Facility both at the time to which the adjustments relate and the time when the adjustments are actually made). The Agent's determination of the adjustments payable shall be *prima facie* evidence of such adjustments and the Agent shall, if so requested by the Borrower, provide the Borrower with reasonable details of the calculation of such adjustments; and

- (E) for the purpose of determining the Margin, Most Recent Leverage and Relevant Period shall be determined in accordance with Clauses 22A.1 (*Financial definitions*) and 22A.3 (*Financial testing*).

“**Material Adverse Effect**” means any event or circumstance which (after taking into account all relevant circumstances) has a material adverse effect on:

- (a) the business, operations, property or financial condition of the Group (taken as a whole); or
- (b) the ability of the Obligors (taken as a whole) to perform any of their payment obligations under the Finance Documents; or
- (c) subject to the Legal Reservations and the Perfection Requirements, the validity or enforceability of, or the effectiveness or ranking of any Transaction Security granted or purporting to be granted pursuant to any of, the Finance Documents or the rights or remedies of any Finance Party under any of the Finance Documents.

“**MCO Cotai**” means MCO Cotai Investments Limited (formerly known as MCE Cotai Investments Limited), an exempted company incorporated with limited liability under the laws of the Cayman Islands (with registered number 254216) whose registered address is at Intertrust Corporate Services (Cayman) Limited, One Nexus Way, Camana Bay, Grand Cayman, KY1-9005, Cayman Islands.

“**Melco Resorts**” means Melco Resorts & Entertainment Limited (formerly known as Melco Crown Entertainment Limited), an exempted company incorporated with limited liability under the laws of the Cayman Islands (with registered number 143119) with registered address: Intertrust Corporate Services (Cayman) Limited, One Nexus Way, Camana Bay, Grand Cayman, KY1-9005, Cayman Islands.

“**Melco Resorts Macau**” means Melco Resorts (Macau) Limited (formerly known as Melco Crown (Macau) Limited), a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry under number 24325 SO, with registered office at Estrada do Istmo, City of Dreams, Executive Office (L2M), Cotai, Macau.

“**Month**” means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

- (a) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;
- (b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and
- (c) if an Interest Period begins on the last Business Day of a calendar month and, consistent with the terms of this Agreement, that Interest Period is to be of a duration equal to a whole number of Months, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end.

The above rules will only apply to the last Month of any period. “**Monthly**” shall be construed accordingly.

“**Moody’s**” means Moody’s Investors Service, Inc.

“**Most Recent Leverage**” means, at any time, the Senior Leverage for the Most Recent Relevant Period as at such time.

“Most Recent Relevant Period” means, as at any date, the most recently elapsed Relevant Period in respect of which the Annual Financial Statements or Quarterly Financial Statements for a period ending on the last day of such Relevant Period and the accompanying Compliance Certificate have been delivered to the Agent in accordance with Clauses 22.4 (*Financial statements*) and 22.4A (*Compliance Certificate*).

“New Cotai, LLC” a limited liability company formed in Delaware, United States of America (with registered number 4114248), c/o New Cotai Holdings, LLC, of Two Greenwich Plaza, Greenwich, Connecticut 06830, United States of America.

“New Sponsor” means any person to whom Silverpoint assigns or transfers all or part of its indirect beneficial interest in the shares or other equity interests of SCIH in accordance with the Shareholders’ Agreement.

“Non-Consenting Lender” means any Lender which does not and continues not to consent to any decision requiring a waiver or amendment or other consent requested in respect of any of the Facilities, if:

- (a) the Borrower or the Agent (at the request of the Borrower) has requested the Lenders to give a consent in relation to, or to agree to a waiver or amendment of, any provisions of the Finance Documents;
- (b) the consent, waiver or amendment in question requires the approval of all the Lenders; and
- (c) Lenders whose Commitments aggregate more than 80 per cent. of the Total Commitments (or, if the Total Commitments have been reduced to zero, aggregated more than 80 per cent. of the Total Commitments immediately prior to that reduction) have consented or agreed to such waiver or amendment.

“Non-Market Lender” means:

- (a) any Lender with any Commitment or any participation in any Loan under any Facility is being included to trigger a Market Disruption Event pursuant to paragraph (ii) of the definition of that term; or
- (b) any Lender with any Incremental Facility Increase Commitment or any participation in any Loan under any Incremental Facility Increase and falling in the definition of Non- Market Lender in any Incremental Facility Increase Notice relating to such Incremental Facility Increase.

“Non-Responding Lender” means any Lender that fails to:

- (a) accept or reject a request by or on behalf of any of the Obligors for any waiver, amendment or other consent requested in relation to any of the Facilities within 10 Business Days (or, if the Borrower agrees to a longer time period in relation to that request or the Borrower specifies a longer period in that request during which a Lender may respond, on or prior to the expiry of such longer period so agreed or specified by the Borrower) of a written request; or
- (b) sign a Transfer Certificate within 10 Business Days of any request pursuant to paragraph (a) of Clause 37.5 (*Replaceable Lenders*).

“Notifiable Debt Purchase Transaction” has the meaning given to that term in paragraph (b) of Clause 26.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates*).

“Obligor” means the Borrower or a Guarantor.

“**Obligors’ Agent**” means the Parent, appointed to act on behalf of each Obligor in relation to the Finance Documents pursuant to Clause 2.4 (*Obligors’ Agent*).

“**OFAC**” means the Office of Foreign Assets Control of the US Department of Treasury.

“**Onshore Security Documents**” means any Transaction Security Document governed by or expressed to be governed by the law of the Macau SAR.

“**Optional Currency**” means a currency (other than the Base Currency) which complies with the conditions set out in Clause 4.4 (*Conditions relating to Optional Currencies*).

“**Original Bondco**” means Studio City Finance Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673307), whose registered office is at Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands.

“**Original Financial Statements**” means:

- (a) the audited consolidated financial statements of SCIH and the Parent for the Financial Year ended 31 December 2023; and
- (b) the unaudited consolidated financial statements of SCIH and the Parent for the Financial Quarters ended 31 March 2024, 30 June 2024 and 30 September 2024.

“**Overnight SOFR**” means the secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published (before any correction, recalculation or republication by the administrator) by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).

“**Pari Passu Debt Creditor**” has the meaning given to that term in the Intercreditor Agreement.

“**Pari Passu Debt Document**” has the meaning given to that term in the Intercreditor Agreement.

“**Pari Passu Debt Liability**” has the meaning given to that term in the Intercreditor Agreement.

“**Participating Member State**” means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“**Participation**” means a Debt Purchase Transaction other than a purchase falling within paragraph (a) of the definition thereof.

“**Party**” means a party to this Agreement.

“**Patacas**” or “**MOP**” denotes the lawful currency of the Macau SAR.

“**Payment**” means, in respect of any Liabilities (or any other liabilities or obligations), a payment, prepayment, repayment, redemption, defeasance or discharge of those Liabilities (or any other liabilities or obligations).

“**Perfection Requirements**” means the making or the procuring of the appropriate registrations, filing, endorsements, notarisation, stamping and notifications of the Transaction Security Documents or the Transaction Security created thereunder.

“**Permits**” means all approvals, licences, consents, permits, Authorisations, registrations and filings, necessary in connection with the execution, delivery, completion, implementation, perfection or performance, admission into evidence or enforcement of the Transaction Documents on the terms thereof and all material approvals, licences, consents, permits, Authorisations, registrations and filings required for the design, development, construction, ownership, maintenance, operation or management of the Property and business of the Group as contemplated under the Transaction Documents.

“Permitted Investment” means the following:

- (a) securities issued, or directly and fully guaranteed or insured, by the United States government or any agency or instrumentality of the United States government (as long as the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than nine months from the date of acquisition;
- (b) securities issued, or directly and fully guaranteed or insured, by the government of the Hong Kong SAR or any agency or instrumentality of the government of the Hong Kong SAR (as long as the full faith and credit of the Hong Kong SAR is pledged in support of those securities) having maturities of not more than nine months from the date of acquisition;
- (c) interest bearing demand or time deposits (which may be represented by certificates of deposit) issued by Acceptable Banks or, if not issued by an Acceptable Bank, secured at all times, in the manner and to the extent provided by law, by collateral security in sub-paragraph (a) or (b) above, of a market value of no less than the amount of monies so invested;
- (d) repurchase obligations with a term of not more than seven days for underlying securities of the types described in sub-paragraphs (a), (b) and (c) above entered into with any financial institution meeting the qualifications specified in sub-paragraph (c) above;
- (e) commercial paper having a rating of A-2 or P-2 from S&P or Moody’s respectively and in each case maturing within nine months after the date of acquisition;
- (f) any investment in money market funds which (i) have a credit rating of either A-2 or higher by Standard & Poor’s Rating Services or F2 or higher by Fitch or P-2 or higher by Moody’s Investor Services Limited, (ii) which invest substantially all their assets in securities of the types described in sub-paragraphs (a) to (e) above and (iii) can be turned into cash on not more than 30 days’ notice; and
- (g) any other debt security approved by the Majority Lenders.

“Permitted Land Concession Amendment” has the meaning given to that term in Schedule 11 (*Definitions*).

“Permitted Lien” has the meaning given to that term in Schedule 11 (*Definitions*).

“Permitted Transferee” means, in relation to a Transfer, a bank, financial institution (including a trust), fund, vehicle or other entity which is regularly engaged in, or established for the purposes of making, purchasing or investing in, syndicated loans but excludes a Conflicted Lender.

“Phase II Project” has the meaning given to it in Schedule 11 (*Definitions*).

“Pledge over Onshore Accounts” means the pledge over certain onshore accounts of the Borrower held in the Macau SAR, granted by the Borrower dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021, by a third composite confirmation agreement dated 16 February 2022 and by a fourth composite confirmation agreement dated on or about the date of this Agreement, and as amended, novated, supplemented, extended, replaced or restated from time to time).

“**Power of Attorney**” has the meaning given to that term in the Intercreditor Agreement.

“**Projections**” has the meaning given to that term in paragraph (a) of Clause 21.13 (*No misleading information*).

“**Propco**” means Studio City Developments Limited, a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry under number 14311 SO, with registered office at Avenida da Praia Grande, no. 762-840, China Plaza, 8/ Floor “C”, Macau.

“**Property**” has the meaning given to it in Schedule 11 (*Definitions*).

“**Quarter Date**” has the meaning given to that term in Clause 22A.1 (*Financial definitions*).

“**Quarterly Financial Statements**” has the meaning given to that term in Clause 22A.1 (*Financial definitions*).

“**Quotation Date**” means, in relation to any period for which an interest rate is to be determined:

- (a) for the Base Currency, the first day of that period;
- (b) for any Optional Currency (other than US dollars), two (2) Business Days prior to the first day of that period; and
- (c) for US dollars, two US Government Securities Business Days before the first day of that period.

“**Receiver**” means a receiver, receiver and manager, administrative receiver or analogous person in any Relevant Jurisdiction of the whole or any part of the Charged Property.

“**Reference Banks**” means:

- (a) (in relation to HIBOR) the principal office in the Hong Kong SAR or the Macau SAR of Industrial and Commercial Bank of China (Macau) Limited and Bank of China Limited or such other banks as may be appointed by the Agent in consultation with the Borrower; and
- (b) (in relation to a Benchmark Rate for a Loan in an Optional Currency) such banks and office locations as may be designated for such purposes by the Agent in consultation with the Borrower from time to time.

“**Reference Rate**” means, in relation to any Term SOFR Loan:

- (a) the applicable Term SOFR on the Quotation Date for the Term SOFR Loan and for a period equal in length to the Interest Period of that Loan; or
- (b) as otherwise determined pursuant to Clause 13.5 (*Unavailability of Term SOFR*),

and if, in either case, such rate is less than zero, such rate shall be deemed to be zero.

“**Reimbursement Agreement**” means the reimbursement agreement dated 15 June 2012 and entered into between SCE and Melco Resorts Macau (as may be amended, restated, modified, supplemented, extended, replaced (whether upon or after termination or otherwise or whether with the original or other relevant parties) or renewed, in whole or in part, from time to time, including pursuant to the Direct Agreement).

“**Related Fund**”, in relation to a fund (the “**first fund**”), means a fund which is managed or advised by the same investment manager or adviser or an Affiliate thereof as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.

“Relevant Interbank Market” means, in relation to HK dollars, the Hong Kong SAR interbank market, in relation to US dollars, for a Term SOFR Loan, the market for overnight cash borrowing in USD collateralised by US Government securities and, in relation to any other currency and a Facility, such other interbank market agreed by all of the Lenders with a Commitment in respect of that Facility and the Borrower.

“Relevant Jurisdiction” means, in relation to an Obligor or Grantor:

- (a) its jurisdiction of incorporation;
- (b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;
- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the Transaction Security Documents entered into by it.

“Repeating Representations” means each of the representations set out in Clause 21 (*Representations*) other than Clause 21.9 (*No filing or stamp taxes*), Clause 21.10 (*Deduction of Tax*), paragraphs (a) and (b) of Clause 21.13 (*No misleading information*), Clause 21.14 (*Financial statements*) and Clause 21.27 (*Green Loans*).

“Replaceable Lender” means a Conflicted Lender, a Defaulting Lender, an Increased Costs Lender, an Illegal Lender, a Non-Consenting Lender or a Non-Market Lender but, in each case, shall not include any Lender that is a Sponsor Affiliate.

“Resignation Letter” means a document substantially in the form set out in Schedule 7 (*Form of Resignation Letter*).

“Restricted Party” means any person listed:

- (a) in the Annex to the Executive Order;
- (b) on the “Specially Designated Nationals and Blocked Persons” list maintained by OFAC; or
- (c) in any successor list to either of the foregoing.

“Revolving Facility (General)” means the revolving loan facility made available pursuant to this Agreement as described in paragraph (a) of Clause 2.1 (*The Facilities*).

“Revolving Facility (General) Commitment” means:

- (a) in relation to the Original Lenders, the aggregate amount in HK dollars set opposite its name under the heading “Revolving Facility (General) Commitment” in Part 1 of Schedule 1 (*Original Parties*) and the amount of any other Revolving Facility (General) Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*) and/or Clause 5B (*Incremental Facility Increases*); and
- (b) in relation to any other Lender, the amount in HK dollars of any Revolving Facility (General) Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*) and/or Clause 5B (*Incremental Facility Increases*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

“Revolving Facility (General) Loan” means a loan made or to be made under the Revolving Facility (General) or the principal amount outstanding for the time being of that loan.

“Revolving Facility (Green)” means the revolving loan facility made available pursuant to this Agreement as described in paragraph (b) of Clause 2.1 (*The Facilities*).

“Revolving Facility (Green) Commitment” means:

- (a) in relation to the Original Lenders, the aggregate amount in HK dollars set opposite its name under the heading “Revolving Facility (Green) Commitment” in Part 1 of Schedule 1 (*Original Parties*) and the amount of any other Revolving Facility (Green) Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*) and/or Clause 5B (*Incremental Facility Increases*); and
- (b) in relation to any other Lender, the amount in HK dollars of any Revolving Facility (Green) Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*) and/or Clause 5B (*Incremental Facility Increases*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

“Revolving Facility (Green) Loan” means a loan made or to be made under the Revolving Facility (Green) or the principal amount outstanding for the time being of that loan.

“Revolving Facility Loan Disbursement Account” means:

- (a) in relation to a Revolving Facility (Green) Loan disbursed in HK dollars, the HKD denominated settlement bank account of the Borrower opened with Bank of China, Limited, Macau Branch with account number 182811100059175 which is subject to Transaction Security pursuant to the Pledge over Onshore Accounts, or such other HKD denominated account that is subject to Transaction Security as designated by the Agent (acting on the instructions of the Lenders) and the Borrower in writing from time to time; and
- (b) in relation to a Revolving Facility (Green) Loan disbursed in an Optional Currency, the multi-currency settlement bank account of the Borrower opened with Bank of China, Limited, Macau Branch with account number 182888100046016 which is subject to Transaction Security pursuant to the Pledge over Onshore Accounts, or such other account for that Optional Currency that is subject to Transaction Security as designated by the Agent (acting on the instructions of the Lenders) and the Borrower in writing from time to time.

“Rollover Loan” means one or more Loans:

- (a) made or to be made on the same day that a maturing Loan under the same Facility is due to be repaid;
- (b) the aggregate amount of which is equal to or less than the amount of that maturing Loan; and
- (c) made or to be made to the Borrower for the purpose of refinancing that maturing Loan.

“SCE” means Studio City Entertainment Limited (formerly known as MSC Diversões, Limitada and previously as New Cotai Entertainment (Macau) Limited), a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry number 27610 SO, with registered office at Avenida da Praia Grande, no. 762-840, China Plaza, 8/ Floor “C”, Macau.

“**SCH5**” means Studio City Holdings Five Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1789892), whose registered office is at Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands.

“**SCIH**” means Studio City International Holdings Limited, an exempted company registered by way of continuation with limited liability under the laws of Cayman Islands (company number 343696), whose registered office is at Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands.

“**SCIH Guarantee**” means the deed poll guarantee dated on or about the date of this Agreement granted by SCIH in favour of, among others, the Finance Parties in relation to, among other things, the Obligors’ performance of their obligations under the Finance Documents.

“**Screen Rate**” means:

- (a) in relation to HIBOR, the Hong Kong SAR interbank offered rate administered by the Treasury Markets Association (or any other person which takes over the administration of that rate) for HK dollars for the relevant period displayed on page HKABHIBOR of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate); and
- (b) in relation to a Benchmark Rate for a Loan in an Optional Currency, the rate designated by the Agent (acting on the instructions of all the Lenders under the relevant Facility pursuant to which that Loan was made) and the Borrower from time to time,

or, in each case, on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters. If such page or service ceases to be available, the Agent may specify another page or service displaying the relevant rate after consultation with the Borrower.

“**Second Party Opinion**” means, in respect of any Revolving Facility (Green) Loan, an opinion issued by the Second Party Opinion Provider assessing the alignment of the Eligible Green Assets that are to be financed or refinanced by such Revolving Facility (Green) Loan with the Green Loan Principles.

“**Second Party Opinion Provider**” means Moody’s Investors Service, Inc., Sustainable Fitch, SGS Hong Kong Limited. or any other service provider as agreed in writing between the Borrower and the Green Loan Coordinator from time to time.

“**Secured Obligations**” has the meaning given to that term in the Intercreditor Agreement.

“**Secured Obligations Document**” has the meaning given to that term in the Intercreditor Agreement.

“**Secured Parties**” has the meaning given to that term in the Intercreditor Agreement.

“**Security**” means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Senior Leverage**” has the meaning given to that term in Clause 22A.1 (*Financial definitions*).

“**Services and Right to Use Agreement**” means the Studio City Casino Agreement dated 11 May 2007 and originally made between SCE, New Cotai Entertainment, LLC and Melco Resorts Macau as amended, restated and supplemented from time to time, including pursuant to a supplemental agreement dated 15 June 2012 made between SCE, Melco Resorts Macau and New Cotai Entertainment, LLC and a supplemental agreement dated 23 June 2022 made between SCE and Melco Resorts Macau.

“Services and Right to Use Agreement Confidential Information” means any Confidential Information which relates to, which contains or is derived or copied from the Services and Right to Use Agreement and/or the Reimbursement Agreement.

“Services and Right to Use Direct Agreement” means the direct agreement dated 26 November 2013 and entered into between, among others, SCE, Melco Resorts Macau and the Common Security Agent in relation to the Services and Right to Use Agreement and the Reimbursement Agreement, as amended or modified from time to time.

“Shareholders’ Agreement” means the shareholders’ agreement dated 27 July 2011 and made between MCO Cotai, New Cotai, LLC and others (as amended from time to time).

“Silverpoint” means Silver Point Capital, L.P. and any successor to the investment management business thereof.

“Site” means the land described in the Amended Land Concession, including the casino area that corresponds to the 43.8/1000 interest that was transferred to Macau SAR on 31 December 2022.

“Sponsor Affiliate” means:

- (a) in the case of Melco Resorts, Melco Resorts and its Subsidiaries (other than any member of the Group);
- (b) in the case of Silverpoint, Silverpoint, each of its Affiliates (other than any member of the Group), any trust of which Silverpoint or any of such Affiliates is a trustee, any partnership of which Silverpoint or any of such Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, Silverpoint or any of such Affiliates, *provided that* any such trust, fund or other entity which has been established for at least 6 months solely for the purpose of making, purchasing or investing in loans or debt securities and which is managed or controlled independently from all other trusts, funds or other entities managed or controlled by Silverpoint or any of such Affiliates which have been established for the primary or main purpose of investing in the share capital of companies shall not constitute a Sponsor Affiliate; and
- (c) in the case of a New Sponsor, the New Sponsor, each of its Affiliates (other than any member of the Group), any trust of which the New Sponsor or any of such Affiliates is a trustee, any partnership of which the New Sponsor or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, the New Sponsor or any of such Affiliates, *provided that* any such trust, fund or other entity which has been established for at least 6 months solely for the purpose of making, purchasing or investing in loans or debt securities and which is managed or controlled independently from all other trusts, funds or other entities managed or controlled by the New Sponsor or any of such Affiliates which have been established for the primary or main purpose of investing in the share capital of companies shall not constitute a Sponsor Affiliate.

“Sponsor Group Loans” means any Financial Indebtedness owed by the Parent to any Sponsor Group Shareholder pursuant to any document or instrument setting out the terms of any credit facility, loan, notes, indenture or debt security or, as the case may be, any undocumented arrangement or contract (whether by way of book entry or otherwise) establishing the same.

“Sponsor Group Shareholder” means any direct or indirect shareholder of the Parent which is a Sponsor Affiliate, a Subsidiary of a Sponsor Affiliate or which would be a Subsidiary of a Sponsor Affiliate were the rights and interests of each Sponsor Affiliate in respect thereof to be combined.

“**Sponsors**” means Melco Resorts, Silverpoint and any New Sponsor and “**Sponsor**” means each of them.

“**Standard & Poor’s**” or “**S&P**” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc..

“**Subsidiary**” means, in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first mentioned company or corporation;
- (b) more than half the issued share capital of which (or, in the case of any company or corporation in which SCH5 owns a Golden Share, more than half the issued share capital of which, excluding for these purposes that Golden Share from such issued share capital) is beneficially owned, directly or indirectly by the first mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

“**Successor High Yield Notes**” means notes issued pursuant to a High Yield Note Refinancing.

“**Tax**” means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

“**Term Rate Loan**” means any Loan or, if applicable, Unpaid Sum which is not a Term SOFR Loan.

“**Term SOFR**” means the term SOFR reference rate administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant period published (before any correction, recalculation or republication by the administrator) by CME Group Benchmark Administration Limited (or any other person which takes over the publication of that rate).

“**Term SOFR Loan**” means any Loan or, if applicable, Unpaid Sum in US dollars.

“**Termination Date**” means, in relation to a Facility, the Final Repayment Date of that Facility.

“**Total Commitments**” means the aggregate of the Revolving Facility (General) Commitments, the Revolving Facility (Green) Commitments and the Total Incremental Facility Increase Commitments, being HK\$1,945,000,000 at the date of this Agreement.

“**Total Incremental Facility Increase Commitments**” means, at any time, the aggregate of the Incremental Facility Increase Commitments.

“**Transaction Documents**” means:

- (a) the Finance Documents; and
- (b) the Constitutional Documents of each Obligor, SCIH, SCH5 and Melco Resorts Macau.

“**Transaction Security**” means the Security or other collateral created, evidenced or expressed to be created or evidenced pursuant to the Transaction Security Documents.

“**Transaction Security Documents**” means the Services and Right to Use Direct Agreement and each of the other documents listed as being a Transaction Security Document in schedule 4 (*Transaction Security Documents*) of the Intercreditor Agreement together with any other document entered into by any Obligor or other person creating or expressed to create any Security or other collateral over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Finance Documents, each as amended, supplemented and/or confirmed from time to time.

“**Transfer**” means a novation of rights and obligations, an assignment of rights, an assignment of rights combined with an assumption of certain obligations and release of certain obligations, a participation or sub-participation or a declaration of trust (or equivalent), in each case, in relation to, or any other arrangement under which payments are to be made or may be made by reference to, one or more Finance Documents, the Facilities or the Borrower or any other transfer howsoever described or arranged whereby rights or obligations under the Finance Documents or in relation to the Facilities or the Borrower are transferred from one person to another (and “**transferred**” (and similar expressions) will be construed accordingly).

“**Transfer Certificate**” means an agreement substantially in the form set out in Schedule 4 (*Form of Transfer Certificate*) or any other form agreed between the Agent and the Borrower.

“**Transfer Date**” means, in relation to an assignment or transfer, the later of:

- (a) the proposed Transfer Date specified in the relevant Transfer Certificate or Assignment Agreement and Lender Accession Undertaking; and
- (b) the date on which the Agent executes the relevant Transfer Certificate or Assignment Agreement and Lender Accession Undertaking.

“**Treasury Transaction**” means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.

“**Unpaid Sum**” means any sum due and payable but unpaid by an Obligor under the Finance Documents.

“**US**” and “**United States**” means the United States of America, its territories, possessions and other areas subject to the jurisdiction of the United States of America.

“**US Bankruptcy Code**” means Title 11 of The United States Code (entitled “Bankruptcy”), as amended from time to time and as now or hereafter in effect, or any successor thereto.

“**US dollars**”, “**USD**” or “**US\$**” denotes the lawful currency of the United States.

“**US Government Securities Business Day**” means any day other than:

- (a) a Saturday or a Sunday; and
- (b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in US Government securities.

“**US Person**” means any person whose jurisdiction of organization is a state of the United States or the District of Columbia.

“**USA Patriot Act**” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56.

“**Utilisation**” means a Loan.

“**Utilisation Date**” means the date on which a Loan is made.

“**Utilisation Request**” means a notice substantially in the form set out in Schedule 3 (*Form of Utilisation Request*).

“**Valuation Report**” means a valuation report of the Property prepared by a Valuer, at the expense of the Borrower and addressed to the Borrower or the Agent, in form and substance satisfactory to the Agent (acting on the instructions of the Majority Lenders, acting reasonably).

“**Valuer**” means any of CBRE, Colliers, Jones Lang LaSalle, Cushman & Wakefield, Knight Frank, Savills or such other independent valuers as may be agreed between the Agent (acting on the instructions of the Majority Lenders) and the Borrower.

“**Voting Participation**” means a Participation which involves a transfer of any voting rights, directly or indirectly, under, or in relation to, the Finance Documents (including arising as a result of being able to direct the way that another person exercises its voting rights).

1.2 Construction

- (a) Unless a contrary indication appears a reference in this Agreement to:
- (i) the “**Agent**”, the “**Common Security Agent**”, any “**Finance Party**”, the “**Intercreditor Agent**”, any “**Lender**”, any “**Obligor**”, any “**Party**”, the “**POA Agent**”, any “**Secured Party**”, the “**Green Loan Coordinator**” or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Common Security Agent, any person for the time being appointed as Common Security Agent or Common Security Agents in accordance with the Finance Documents;
 - (ii) a document in “**agreed form**” is a document which is in a form previously agreed in writing by or on behalf of the Borrower and the Agent or, if not so agreed, is in the form specified by the Agent;
 - (iii) “**assets**” includes present and future properties, revenues and rights of every description;
 - (iv) a “**Finance Document**” or a “**Transaction Document**” or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended, replaced or restated (in each case, however fundamentally);
 - (v) “**guarantee**” means (other than in Clause 20 (*Guarantee and indemnity*)) any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;
 - (vi) “**indebtedness**” includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
 - (vii) a “**person**” includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing;
 - (viii) a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

- (ix) an “**equivalent amount in other currencies**”, “**equivalent amount in HK\$**”, “**equivalent amount in US\$**” or “**its equivalent**” means, in relation to an amount in one currency, that amount converted on any relevant date into the relevant currency, HK\$ or US\$ (as the case may be) at the Agent’s Spot Rate of Exchange on that date and other than for the purposes of determining compliance with any basket amount, threshold and any other exceptions to any undertaking under Clause 23 (*General undertakings*) and any Event of Default under Clause 24 (*Events of Default*), the equivalent to any amount in HK dollars or the equivalent to any amount in US dollars shall be determined as at the time of the applicable incurrence, disposal, acquisition, investment, lease, loan, guarantee or other relevant action;
- (x) No breach of any undertaking under Clause 23 (*General undertakings*) and any Event of Default under Clause 24 (*Events of Default*) shall arise merely as a result of a subsequent change in the US dollar equivalent or HK dollar equivalent of any amount due to fluctuation in exchange rates;
- (xi) a provision of law is a reference to that provision as amended or re-enacted;
- (xii) a time of day is a reference to Hong Kong SAR time; and
- (xiii) a Lender’s “**participation**” in a Loan or Unpaid Sum includes an amount (in the currency of such Loan or Unpaid Sum) representing the fraction or portion (attributable to such Lender by virtue of the provisions of this Agreement) of the total amount of such Loan or Unpaid Sum and the Lender’s rights under this Agreement in respect thereof.
- (b) Any reference to the Agent “**acting reasonably**” shall, to the extent that the Agent seeks instructions from the Lenders or a group of Lenders in respect of any matter, be construed so as to require the Lenders or that group of Lenders to act reasonably in respect of that matter.
- (c) Section, Clause and Schedule headings are for ease of reference only.
- (d) Unless a contrary indication appears, (i) a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement; and (ii) the word “including” shall be construed as “including without limitation” (and cognate expressions shall be construed similarly).
- (e) *[Intentionally omitted]*.
- (f) A Default (including, for the avoidance of doubt, an Event of Default) is “**continuing**” if it has not been remedied or waived and an Acceleration Event is “**continuing**” if the notice in relation to such Acceleration Event has not been withdrawn, cancelled or otherwise ceased to have effect.
- (g) *[Intentionally omitted]*.
- (h) *[Intentionally omitted]*.
- (i) Notwithstanding any other provision of any Finance Document, none of the steps set out or described in, or any actions done or contemplated by, the Services and Right to Use Direct Agreement or the actions or intermediate steps necessary to implement any of those steps or actions shall constitute a breach of any representation or warranty, a breach of any undertaking or otherwise result in the occurrence of a Default or an Event of Default under a Finance Document.

- (j) The principles of construction and interpretation contained or referred to in paragraph (m) of clause 1.2 (*Construction*) of the Intercreditor Agreement shall apply to the construction and interpretation of the Services and Right to Use Direct Agreement, including to any capitalised term incorporated into the Services and Right to Use Direct Agreement by reference to this Agreement (whether or not such term is expressly defined in this Agreement). In the event of any inconsistency between the principles of construction contained or referred to in paragraph (m) of clause 1.2 (*Construction*) of the Intercreditor Agreement and a term defined in this Agreement, the principles of construction contained or referred to in paragraph (m) of clause 1.2 (*Construction*) of the Intercreditor Agreement shall take precedence.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in a Finance Document a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the “**Third Parties Act**”) to enforce or enjoy the benefit of any term of any Finance Document.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary any Finance Document at any time.

1.4 Intercreditor Agreement

This Agreement is subject to the Intercreditor Agreement. In the event of any inconsistency between this Agreement and the Intercreditor Agreement, the Intercreditor Agreement shall prevail.

1.5 Terms defined in the covenants

Unless a contrary intention appears, capitalised terms used in this Agreement which are not defined in Clause 1.1 (*Definitions*) have the meaning given to them in Schedule 10 (*Covenants*) and Schedule 11 (*Definitions*).

1.6 Recognition of Hong Kong Stay Powers

Notwithstanding anything to the contrary in this Agreement or any other Finance Document or any other agreement, arrangement or understanding between the Parties relating to this Agreement, each of the Parties (other than any Excluded Counterparties) expressly agrees to be bound by any suspension of any termination right in relation to the Finance Documents imposed by the Resolution Authority in accordance with section 90(2) of the Financial Institutions (Resolution) Ordinance (Cap. 628) of Hong Kong, to the same extent as if the relevant Finance Document was governed by the laws of Hong Kong.

For the purpose of this Clause 1.6:

- (a) “**Excluded Counterparty**” means any Party which is (a) a financial market infrastructure; (b) the Hong Kong Monetary Authority; (c) the Government of the Hong Kong Special Administrative Region; (d) the government of a jurisdiction other than Hong Kong; or (e) the central bank of a jurisdiction other than Hong Kong; and
- (b) “**Resolution Authority**” means the resolution authority in Hong Kong in relation to a banking sector entity from time to time, which is currently the Hong Kong Monetary Authority.

SECTION 2
THE FACILITIES

2. The Facilities

2.1 The Facilities

Subject to the terms of this Agreement, the Lenders make available to the Borrower:

- (a) a revolving loan facility in an aggregate amount equal to the Revolving Facility (General) Commitments; and
- (b) a revolving loan facility in an aggregate amount equal to the Revolving Facility (Green) Commitments.

2.2 Increase

- (a) The Borrower may by giving prior notice to the Agent by no later than the date falling 10 Business Days after the effective date of a cancellation of the Available Commitment or the Commitment (in respect of any Facility) of an Illegal Lender in accordance with Clause 8.1 (*Illegality*) or Replaceable Lender in accordance with Clause 37.7 (*Cancellation and repayment of a Replaceable Lender (other than an Illegal Lender)*) (such Available Commitment or Commitment so cancelled being the “**Cancelled Commitment**”) request that the Total Commitments be increased (and the Commitments under that Facility shall be so increased) by an aggregate amount in the Base Currency of up to the amount of the Cancelled Commitment as follows:
 - (i) such increased Commitments under that Facility will be assumed by one or more Lenders or persons (other than a member of the Group) (each an “**Increase Lender**”) selected by the Borrower and each of which confirms its willingness to assume and does assume all the obligations of a Lender corresponding to that part of such increased Commitments under that Facility which it is to assume (the “**Assumed Commitment**” of such Increase Lender), as if it had been an Original Lender;
 - (ii) each of the Obligors and any Increase Lender shall assume obligations towards one another and/or acquire rights against one another as the Obligors and the Increase Lender would have assumed and/or acquired had that Increase Lender been an Original Lender (with the Assumed Commitment in respect of such Increase Lender, in addition to any other Commitment which such Increase Lender may otherwise have in accordance with this Agreement);
 - (iii) each Increase Lender shall become a Party as a “Lender” and any Increase Lender (with the Assumed Commitment in respect of such Increase Lender, in addition to any other Commitment which such Increase Lender may otherwise have in accordance with this Agreement) and each of the other Finance Parties shall assume obligations towards one another and acquire rights against one another as that Increase Lender and those Finance Parties would have assumed and/or acquired had the Increase Lender been an Original Lender;
 - (iv) the Commitments of the other Lenders shall continue in full force and effect; and
 - (v) such increase in the Commitments under any Facility shall take effect on the later of (1) the date specified by the Borrower in the notice referred to above or (2) any later date on which the conditions set out in paragraph (b) below are satisfied in respect of such increase.

- (b) An increase in the Commitments under any Facility pursuant to this Clause 2.2 will only be effective on:
 - (i) the execution by the Agent of an Increase Confirmation from each relevant Increase Lender in respect of such increase, which the Agent shall execute promptly on request;
 - (ii) the Increase Lender entering into the documentation required for it to accede as a party to the Intercreditor Agreement; and
 - (iii) in relation to an Increase Lender which is not a Lender immediately prior to the relevant increase, the Agent being satisfied that it has complied with all necessary “know your customer” or other similar checks under all applicable laws and regulations in relation to the assumption of the Assumed Commitments by that Increase Lender. The Agent shall promptly notify the Borrower and the Increase Lender upon being so satisfied.
- (c) Each Increase Lender, by executing an Increase Confirmation, confirms that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the increase in Commitments (to which such Increase Confirmation relates) becomes effective.
- (d) The Borrower shall promptly on demand pay the Agent and the Common Security Agent the amount of all costs and expenses (including legal fees) reasonably incurred by the Agent or the Common Security Agent (as applicable and, in the case of the Common Security Agent, by any Receiver or Delegate) in connection with any increase in Commitments under this Clause 2.2.
- (e) An Increase Lender shall, on the date upon which its assumption of any Assumed Commitment takes effect, pay to the Agent (for its own account) a fee in an amount equal to the fee which would be payable under Clause 25.2 (*Assignment or transfer fee*) if such assumption was a transfer pursuant to Clause 25.5 (*Procedure for transfer*) and if the Increase Lender was a New Lender.
- (f) The Borrower may pay to an Increase Lender a fee in the amount and at the times agreed between the Borrower and that Increase Lender in a Fee Letter.
- (g) Clause 25.4 (*Limitation of responsibility of Existing Lenders*) shall apply *mutatis mutandis* in this Clause 2.2 in relation to an Increase Lender as if references in that Clause to:
 - (i) an “**Existing Lender**” were references to all the Lenders immediately prior to the relevant increase in Commitments;
 - (ii) the “**New Lender**” were references to that “**Increase Lender**”; and
 - (iii) a “**re-transfer**” and “**re-assignment**” were references to, respectively, a “**transfer**” and “**assignment**”.

2.2A Incremental Facility Increase

Subject to the terms of this Agreement, the relevant Lenders make available to the Borrower each Incremental Facility Increase established pursuant to Clause 5B (*Incremental Facility Increase*).

2.3 Finance Parties' rights and obligations

- (a) The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.
- (b) The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from an Obligor shall be a separate and independent debt in respect of which a Finance Party shall be entitled to enforce its rights in accordance with paragraph (c) below. The rights of each Finance Party include any debt owing to that Finance Party under the Finance Documents and, for the avoidance of doubt, any part of a Loan or any other amount owed by an Obligor which relates to a Finance Party's participation in a Facility or its role under a Finance Document (including any such amount payable to the Agent on its behalf) is a debt owing to that Finance Party by that Obligor.
- (c) A Finance Party may, except as otherwise stated in the Finance Documents, separately enforce its rights under or in connection with the Finance Documents.

2.4 Obligors' Agent

- (a) Each Obligor (other than the Parent) by its execution of this Agreement or an Accession Letter irrevocably appoints the Parent to act on its behalf as its agent in relation to the Finance Documents and irrevocably authorises:
 - (i) the Parent on its behalf to supply all information concerning itself contemplated by this Agreement to the Finance Parties and to give all notices and instructions (including, in the case of the Borrower, Utilisation Requests), to execute on its behalf any Accession Letter, to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of that Obligor; and
 - (ii) each Finance Party to give any notice, demand or other communication to that Obligor pursuant to the Finance Documents to the Parent,and in each case the Obligor shall be bound as though the Obligor itself had given the notices and instructions (including, without limitation, any Utilisation Request) or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.
- (b) Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Obligors' Agent or given to the Obligors' Agent under any Finance Document on behalf of another Obligor or in connection with any Finance Document (whether or not known to any other Obligor and whether occurring before or after such other Obligor became an Obligor under any Finance Document) shall be binding for all purposes on that Obligor as if that Obligor had expressly made, given or concurred with it. In the event of any conflict between any notices or other communications of the Obligors' Agent and any other Obligor, those of the Obligors' Agent shall prevail.

3. Purpose

3.1 Purpose

- (a) Subject to paragraph (b) below and Clause 5.5 (*Limitations on Utilisations*), the Borrower shall apply all amounts borrowed by it under:
- (i) the Revolving Facility (General) to finance the general corporate and working capital purposes of the Borrower and its Subsidiaries, including:
 - (A) the payment (or reimbursement) of any fees, costs and expenses; and
 - (B) the financing and refinancing of amounts expended on permitted joint venture investments, capital expenditure and business reorganisations; and
 - (ii) the Revolving Facility (Green) to (directly or indirectly) finance and/or refinance, in whole or in part:
 - (A) any fees, costs and expenses expended on the construction, development and maintenance of the Eligible Green Assets (including the financing or refinancing of any capital expenditure (including any investment or restructuring constituting capital expenditure)); and/or
 - (B) any general corporate and/or working capital for the purposes of the Eligible Green Assets.
- (b) The Borrower shall not and may not:
- (i) apply any amounts utilised under any Facility, directly or indirectly, towards:
 - (A) any payments of interest or other finance payments (capitalised or otherwise) in respect of any Facility or any other Credit Facility (as defined in the Intercreditor Agreement) or pursuant to any Pari Passu Debt Document or under or in connection with any Subordinated Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor or Intercompany Note Proceeds Loan; or
 - (B) it or the Parent making or paying any dividend or other distribution in respect of any shares or other equity interests, repaying, returning or distributing any share premium or other reserve or purchasing, redeeming or retiring any shares or other equity interest (or any transaction of substantially equivalent economic effect); or
 - (ii) apply any amounts utilised under any Facility, directly or indirectly, towards any purposes connected with the operation of casino games of chance or other forms of gaming (including, without limitation, financing the acquisition, maintenance or repair of equipment and utensils used in the operation of casino games of chance or other forms of gaming or fitting out any casino); or
 - (iii) apply any amounts utilised under any Facility, directly or indirectly, towards any purposes connected with the funding, financing, acquisition, or other form of investment in any asset, project, undertaking, venture or other forms of assets located, situated or with a nexus outside of Macau SAR.

For the avoidance of doubt, nothing in this paragraph (b) shall restrict the Borrower from using its own balance sheet cash for any of the above restricted purposes and a subsequent utilisation of any Facility which results in cash being retained on the Borrower's balance sheet shall not constitute an "indirect" application of proceeds of any Facility towards such restricted purpose.

3.2 Monitoring

No Finance Party is bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

4. Conditions of utilisation

4.1 Initial conditions precedent

- (a) The Borrower may not deliver a Utilisation Request unless and until the Agent has received (or the Lenders or the Agent has waived the requirement to receive) all of the documents and other evidence listed in Part 1 of Schedule 2 (*Conditions Precedent*) in form and substance satisfactory to the Lenders (acting reasonably) (except where such documents and other evidence are stated to be for information purposes only in which case such documents and other evidence shall be satisfied upon receipt without the Lenders making any determination or otherwise being satisfied as to form or substance) (the “**Condition**”). The Agent shall notify the Borrower and the Lenders promptly upon being so satisfied. The Lenders will only be obliged to comply with Clause 5.4 (*Lenders’ participation*) in relation to any Utilisation if the Condition has been satisfied on or before 11.00 a.m. on the date falling three (3) Business Days prior to the first Utilisation Date (or by such later date as the Agent may agree).
- (b) Other than to the extent that the Majority Lenders notify the Agent in writing to the contrary before the Agent gives the notification described in paragraph (a) above, the Lenders authorise (but do not require) the Agent to give that notification. The Agent shall not be liable for any damages, costs or losses whatsoever as a result of the Agent giving any such notification.

4.2 Utilisation conditions precedent

Subject to Clause 4.1 (*Initial conditions precedent*), the Lenders will only be obliged to comply with Clause 5.4 (*Lenders’ participation*) in relation to a Utilisation if on the date of the Utilisation Request and on the proposed Utilisation Date:

- (a) in the case of a Rollover Loan:
 - (i) no Acceleration Event is continuing; and
 - (ii) no Event of Default under Clause 24.5 (*Insolvency*) or Clause 24.6 (*Insolvency proceedings*) has occurred and is continuing;
- (b) in the case of any Loan (other than a Rollover Loan):
 - (i) no Default is continuing or would result from the proposed Utilisation;
 - (ii) all the Repeating Representations are true and correct in all respects or (to the extent such Repeating Representations are not already subject to or qualified as to materiality) all material respects; and
 - (iii) there has been no material adverse change in the business, assets or financial condition of the Group (taken as a whole) since 31 December 2023;
- (c) in the case of a Loan to be utilised on the first Utilisation Date only:
 - (i) the amount of such Loan to be made will not result in the LTV Ratio being equal to or exceeding the Maintenance LTV Ratio; and

- (ii) the Agent has received a certificate (in form and substance satisfactory to the Lenders (acting reasonably)) confirming the aggregate amount of Borrowings of SCIH and its Subsidiaries that is secured by any asset or equity interest as at the first Utilisation Date and signed by a duly authorised director of SCIH; and
- (d) in the case of a Revolving Facility (Green) Loan, the Agent has received evidence satisfactory to the Agent (acting on the instructions of the Lenders (acting reasonably)) that the Borrower will be applying the proceeds of that Revolving Facility (Green) Loan to the Eligible Green Assets in accordance with the terms of this Agreement.

4.3 Maximum number of Utilisations

The Borrower may not deliver a Utilisation Request if as a result of the proposed Utilisation more than eight (8) Loans would be outstanding.

4.4 Conditions relating to Optional Currencies

- (a) A currency will constitute an Optional Currency in relation to a Facility if:
 - (i) it is readily available in the amount required and freely convertible into the Base Currency in the wholesale market for that currency on the Quotation Date and the Utilisation Date for that Utilisation; and
 - (ii) (A) it is US dollars or (B) it has been approved by the Agent (in its own capacity) and the Agent (acting on the instructions of all the Lenders in the relevant Facility) on or prior to receipt by the Agent of the relevant Utilisation Request for that Utilisation.
- (b) If the Agent has received a written request from the Borrower for a currency to be approved under paragraph (a)(ii) above, the Agent will confirm to the Borrower within five (5) Business Days of receipt of the relevant written request from the Borrower:
 - (i) whether or not the relevant Lenders have granted their approval; and
 - (ii) if approval has been granted, the minimum amount for any subsequent Utilisation in that currency.

4.5 Green Loans

- (a) The Borrower shall maintain detailed records in respect of each Revolving Facility (Green) Loan that it has requested pursuant to this Agreement and the manner in which the proceeds of such Revolving Facility (Green) Loans have been applied as contemplated by paragraph (a)(ii) of Clause 3.1 (*Purpose*).
- (b) The Parties agree that:
 - (i) subject to Clause 23.18 (*Green Loan Provisions*), the Revolving Facility (Green) may be characterised as a “green facility” and the Revolving Facility (Green) Loans hereunder may be characterised as “green loans” by any Party and may be described as such in any announcement, publication, disclosure or other communication issued by any Party;
 - (ii) without limiting paragraph (i), the Borrower shall consult in good faith with the Agent prior to any Obligor or any member of the Group making any announcement, publication, disclosure or other communication in respect of the Revolving Facility (Green) Facility being a “green facility” and/or any Revolving Facility (Green) Loans hereunder being described as Revolving Facility (Green) Loans hereunder may be characterised as “green loans”; and

-
- (iii) without limiting paragraph (i), each Finance Party agree to consult in good faith with the Borrower prior to making any announcement, publication, disclosure or other communication in respect of the Revolving Facility (Green) Facility being a “green facility” and/or any Revolving Facility (Green) Loans hereunder being described as Revolving Facility (Green) Loans hereunder may be characterised as “green loans”.

**SECTION 3
UTILISATION**

5. Utilisation – Loans

5.1 Delivery of a Utilisation Request

The Borrower may utilise a Facility by delivery to the Agent of a duly completed Utilisation Request signed by an authorised signatory of the Borrower, not later than 11.00 a.m. on the third Business Day prior to the proposed Utilisation Date (or such later time as the Agent may agree).

5.2 Completion of a Utilisation Request

- (a) Each Utilisation Request for a Loan is irrevocable and will not be regarded as having been duly completed unless:
 - (i) it identifies the Facility to be utilised;
 - (ii) the proposed Utilisation Date is a Business Day within the Availability Period applicable to that Facility;
 - (iii) the currency and amount of the Utilisation comply with Clause 5.3 (*Currency and amount*);
 - (iv) the proposed Interest Period complies with Clause 12 (*Interest Periods*); and
 - (v) (other than in the case of any Rollover Loan or any Revolving Facility (General) Loan) it specifies the account(s) and bank(s) to which the proceeds of such Loan shall be disbursed which shall be the relevant Revolving Facility Loan Disbursement Account for the currency of that Utilisation (only).
- (b) Only one Utilisation may be requested in each Utilisation Request.

5.3 Currency and amount

- (a) The currency specified in a Utilisation Request must be the Base Currency or an Optional Currency.
- (b) The amount of the proposed Utilisation of a Facility must be:
 - (i) if the currency selected is the Base Currency, a minimum of HK\$40,000,000 and in integral multiples of HK\$10,000,000 or, if less, the Available Facility applicable to that Facility;
 - (ii) if the currency selected is US dollars, a minimum of US\$5,000,000 and in integral multiples of US\$1,000,000 or, if less, the Available Facility applicable to that Facility; and
 - (iii) if the currency selected is an Optional Currency other than US dollars, a minimum of the minimum amount (if any) and in integral multiples of the integral multiple amount (if any) specified by the Agent pursuant to Clause 4.4 (*Conditions relating to Optional Currencies*) or, if less, the Available Facility applicable to that Facility.

5.4 Lenders' participation

- (a) Subject to Clause 7.2 (*Revolving Facility*), if the conditions set out in this Agreement have been met, each Lender shall make its participation in each Loan available by the Utilisation Date through its Facility Office.
- (b) The amount of each Lender's participation in each Loan under a Facility will be equal to the proportion of that Loan borne by its Available Commitment (in respect of such Facility) to the Available Facility (in respect of that Facility) immediately prior to making that Loan.
- (c) *[Intentionally omitted]*.
- (d) The Agent shall, by 2.00 p.m. on the third Business Day prior to the proposed Utilisation Date, determine the Base Currency Amount of each Loan which is to be made in an Optional Currency and notify each Lender of the amount, currency and the Base Currency of each Loan, the amount of its participation in that Loan and, if different, the amount of that participation to be made available in cash.

5.5 Limitations on Utilisations

- (a) Amounts borrowed under or in respect of the Facilities shall not be applied (directly or indirectly) for business activities (1) relating to or involving (A) Cuba, Sudan, Iran, Myanmar (Burma), Syria, North Korea, Donetsk Republic, Luhansk Republic, Kherson or Zaporizhzhia (in each case to the extent such country is subject to any economic and/or trade sanctions) or (B) any other countries that are subject to economic and/or trade sanctions as notified in writing by the Agent (acting on behalf of any Lender) to the Borrower from time to time (C) any Restricted Party or (2) which would otherwise result in a breach of any Anti-Terrorism Law.
- (b) Without prejudice to paragraph (a) above, the proceeds of the Facility shall not be applied towards any purpose other than a purpose specified in Clause 3 (*Purpose*).

5.6 Cancellation of Commitment

The Commitments of each Lender in relation to a Facility which, at that time, are unutilised shall be immediately cancelled at the end of the Availability Period relating to that Facility.

5A Optional Currencies

5A.1 Selection of currency

The Borrower shall select the currency of a Utilisation in a Utilisation Request.

5A.2 Unavailability of a currency

If before 11.00 a.m. on any Quotation Date:

- (a) a Lender notifies the Agent that the Optional Currency requested is not readily available to it in the amount required; or
- (b) a Lender notifies the Agent that compliance with its obligation to participate in a Loan in the proposed Optional Currency would contravene a law or regulation applicable to it,

the Agent will give notice to the Borrower to that effect by 12:00 p.m. on that day. In this event, any Lender that gives notice pursuant to this Clause 5A.2 will be required to participate in the Loan in the Base Currency (in an amount equal to that Lender's proportion of the Base Currency Amount, or in respect of a Rollover Loan, an amount equal to that Lender's proportion of the Base Currency Amount of the Rollover Loan that is due to be made) and its participation will be treated as a separate Loan denominated in the Base Currency during that Interest Period.

5A.3 Agent's calculations

Each Lender's participation in a Loan will be determined in accordance with paragraph (b) of Clause 5.4 (*Lenders' participation*).

5B Incremental Facility Increase

5B.1 Type of Facility

An incremental facility may be by way of an increase in the Commitments under an existing Facility (each such increase, an **"Incremental Facility Increase"**).

5B.2 Availability and establishment of Incremental Facility Increases

- (a) Subject to obtaining written consent from each of the Lenders, if the Borrower and one or more Lenders or other entities (being such other banks, financial institutions, trusts, funds or other entities which are regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets and which are not Lenders, the **"Non-Lenders"**) agree, except as otherwise provided in this Agreement, such Lenders and Non-Lenders may make available Commitments in respect of Incremental Facility Increases in an aggregate amount not exceeding US\$100,000,000 (the **"Incremental Facility Increase Limit"**).
- (b) The Borrower may request the establishment of an Incremental Facility Increase of a Facility by delivering to the Agent a valid and duly completed notice substantially in the form set out in Schedule 13 (*Form of Incremental Facility Increase Notice*) (an **"Incremental Facility Increase Notice"**) prior to the Termination Date in respect of that Facility requesting that such Lenders and Non-Lenders make available an Incremental Facility Increase.
- (c) Each Incremental Facility Increase Notice shall not be duly completed unless it:
 - (i) sets out the aggregate Commitment amount (the **"Requested Facility Amount"**), availability period and commitment fees (if any) of or with respect to the Incremental Facility Increase that is the subject of such Incremental Facility Increase Notice (the **"Relevant Incremental Facility Increase"**);
 - (ii) confirms that each Lender has agreed to the establishment of the Relevant Incremental Facility Increase;
 - (iii) specifies the currency in which the Commitments for the Relevant Incremental Facility Increase will be denominated (which shall be limited to the Base Currency) and the currency or currencies in which the Relevant Incremental Facility Increase may be utilised (which shall be limited to the Base Currency and any Optional Currency);
 - (iv) specifies the relevant Facility to which the Incremental Facility Increase relates;
 - (v) specifies any other relevant terms relating to the Relevant Incremental Facility Increase (which shall not conflict with any other term of the Finance Documents or the other Secured Obligations Documents);

- (vi) (if the Borrower so chooses, at its discretion, to invite any Lender to participate in the Relevant Incremental Facility Increase) invites each Lender to participate in the Relevant Incremental Facility Increase in an amount up to that Lender's Pro Rata Share (for such purposes, "**Pro Rata Share**" means, in relation to a Lender, the percentage of the aggregate amount of the Relevant Incremental Facility Increase that such Lender's existing Commitments (in aggregate across the Facilities) bear to the existing Total Commitments on the date of the Incremental Facility Increase Notice);
 - (vii) confirms that the Repeating Representations are true and accurate in all material (or, to the extent that the Repeating Representation is subject to any materiality qualifier, all) respects as at the date of the Incremental Facility Increase Notice;
 - (viii) confirms that no Event of Default is continuing at the time of, or would arise as a result of, the establishment and utilisation of the Relevant Incremental Facility Increase; and
 - (ix) is signed by the Parent and the Borrower.
- (d) Upon receipt of an Incremental Facility Increase Notice, the Agent shall promptly and in any case within three (3) Business Days forward that Incremental Facility Increase Notice to all Lenders and each Lender (if applicable) shall have ten (10) Business Days (or such longer time as the Agent and the Borrower may agree) from the date of the Incremental Facility Increase Notice to accept any invitation made by the Borrower as contemplated by paragraph (c)(vi) above (the "**Lender Invitation Period**"). Following the expiry of the Lender Invitation Period, any Lender that has not responded to the Borrower in relation to the Incremental Facility Increase Notice (or has declined the invitation to participate) shall not participate in the Relevant Incremental Facility Increase (other than as a result of an assignment or transfer in accordance with Clause 25 (*Changes to the Lenders*)).
- (e) No Lender shall be obliged to participate in any Incremental Facility Increase.
- (f) The Borrower shall be permitted to invite Non-Lenders to provide commitments for and to become Lenders under the Relevant Incremental Facility Increase (and each such entity that agrees to provide a commitment in relation to a Relevant Incremental Facility Increase will be an "**Additional Lender**") subject to paragraphs (g) and (h) below, *provided* that if the Borrower has invited Lenders to provide any commitments in the Relevant Incremental Facility Increase, its invitation to Non-Lenders shall not prejudice the right of Lenders to participate in an amount up to its Pro Rata Share.
- (g) If sufficient Lenders and Additional Lenders have provided acceptances to the Borrower to make available commitments (of an aggregate amount not less than the Requested Facility Amount, or, subject to paragraph (a) above, such other amount agreed between the Borrower, the Lenders and the Additional Lenders) in respect of the Relevant Incremental Facility Increase, the Borrower shall notify the Agent and each other Obligor of:
- (i) the aggregate amount of the commitments that have been agreed to be made available by the Lenders and/or Additional Lenders in respect of the Relevant Incremental Facility Increase (such commitments being "**Incremental Facility Increase Commitments**");
 - (ii) the Facility to which the Incremental Facility Commitments relate; and
 - (iii) the identity and notice details of the Lenders and Additional Lenders (the "**Incremental Facility Increase Lenders**") that have agreed to provide the Relevant Incremental Facility Increase,
- and the Agent shall promptly notify all of the Lenders and such Additional Lenders of the same.

- (h) Each Additional Lender which has been selected by the Borrower to be an Incremental Facility Increase Lender may accede to this Agreement as a Lender by duly completing and signing an Incremental Facility Increase Lender Accession Deed prior to making available its Incremental Facility Increase Commitments and the Agent shall only be obliged to execute the relevant Incremental Facility Increase Lender Accession Deed delivered to it by an Additional Lender once it is satisfied that it and the Common Security Agent have complied with all necessary “know-your-customer” checks or other similar checks under all applicable laws and regulations in relation to such Additional Lender and at any time thereafter such Additional Lender shall be treated as a Lender for the purposes of this Agreement. Each Party irrevocably authorises and instructs the Agent to execute any Incremental Facility Increase Lender Accession Deed on its behalf. By executing an Incremental Facility Increase Lender Accession Deed, the Additional Lender agrees to become a Lender and a Party to this Agreement and a party to the Intercreditor Agreement. On the date that the Agent executes an Incremental Facility Increase Lender Accession Deed, the relevant Additional Lender, each Finance Party and the Borrower shall assume obligations towards one another and acquire rights against one another as that Additional Lender, the Finance Parties and the Borrower would have acquired and assumed had that Additional Lender been an Original Lender with the rights and obligations acquired or assumed by it as a result of its accession and the relevant Additional Lender shall become a Party as a Lender. Clause 25.4 (*Limitation of responsibility of Existing Lenders*) shall apply *mutatis mutandis* in this Clause 5B in relation to an Additional Lender as if references in that Clause to:
- (i) an “**Existing Lender**” were references to all the Lenders immediately prior to the relevant increase;
 - (ii) the “**New Lender**” were references to that Additional Lender; and
 - (iii) a “**re-transfer**” and “**re-assignment**” were references to, respectively, a “**transfer**” and “**assignment**”.
- (i) The making available of any Incremental Facility Increase will require the consent of all Lenders.
- (j) An Incremental Facility Increase shall not be established under this Clause 5B and made available unless:
- (i) the Agent and each Obligor has received a notice in respect of that Incremental Facility Increase from the Borrower pursuant to paragraph (g) above;
 - (ii) the Agent has executed an Incremental Facility Increase Lender Accession Deed in respect of each Additional Lender in respect of that Incremental Facility Increase;
 - (iii) the terms of that Incremental Facility Increase do not conflict with Clause 5B.3 (*Terms of Incremental Facility Increases*);
 - (iv) the aggregate of (I) the principal amount of such Incremental Facility Increase and (II) the principal amounts of such other Incremental Facility Increase established from time to time (and without regard to any cancellations of any Incremental Facility Increase Commitments) under this Clause 5B.2 does not exceed the Incremental Facility Increase Limit;
 - (v) the Agent has received:

- (A) written authorisation from each Incremental Facility Increase Lender confirming (x) the Commitments it agrees to provide under the Incremental Facility Increase on the terms of the applicable Incremental Facility Increase Notice and this Agreement, (y) that it is not a member of the Group or a Sponsor Affiliate and (z) that the Agent may establish the relevant Incremental Facility Increase and its Commitments under that Incremental Facility Increase on its behalf;
 - (B) such customary legal opinions (at the cost of the Borrower) in form and substance satisfactory to the Agent (acting reasonably on the instructions of the Majority Lenders) and any documents required in connection therewith;
 - (C) (x) evidence in form and substance satisfactory to the Agent (acting reasonably) that any Authorisation required from a Governmental Authority (including of the government of Macau SAR) for the purposes of incurring Financial Indebtedness under an Incremental Facility Increase in connection with such Financial Indebtedness has been obtained or (y) advice from Macanese counsel that no such Authorisations are required from any Governmental Authority; and
 - (D) consent from each Lender on the establishment of such Incremental Facility Increase;
 - (vi) without prejudice to Clause 4.3 (*Maximum number of Utilisations*), the specified maximum number of Loans that may be outstanding under the Relevant Incremental Facility Increase at any time is acceptable to the Agent (acting reasonably);
 - (vii) (in the case of any Incremental Facility Increase the rate of interest of which relies on a calculation methodology (whether by reference to a published rate, a calculation or otherwise)), the Agent has confirmed that it can perform such calculation methodology;
 - (viii) no Event of Default is continuing at the time of, or would arise as a result of, the establishment and utilisation of the Relevant Incremental Facility Increase; and
 - (ix) the relevant requirements of clause 25.11 (*Accession of Credit Facility Creditors under New Credit Facilities*) of the Intercreditor Agreement have been or are contemporaneously being satisfied.
- (k) Subject to the conditions of this Clause 5B.2 being met in respect of an Incremental Facility Increase, the Agent shall (at the cost of the Borrower) establish that Incremental Facility Increase and the Commitments of each Incremental Facility Increase Lender in respect of that Incremental Facility Increase by way of written notice to the Parent and the Borrower, which Incremental Facility Increase and Commitments shall commence on the Agent's receipt of the Parent's and the Borrower's written countersignatures to such notice (the date of such receipt by the Agent, the "**Incremental Facility Increase Establishment Date**" in respect of that Incremental Facility Increase). Each Incremental Facility Increase Lender in respect of an Incremental Facility Increase shall make available its Commitments under the Incremental Facility Increase on and from the Incremental Facility Increase Establishment Date for that Incremental Facility Increase on the terms of this Agreement and any Incremental Facility Increase Document relating to that Incremental Facility Increase. The Commitments of the other Lenders shall continue in full force and effect.

- (l) Each Incremental Facility Increase Lender shall, on the date upon which any of its Incremental Facility Increase Commitments are established, pay to the Agent (for its own account) a fee in an amount equal to the fee which would be payable under Clause 25.3 (*Assignment or transfer fee*) if the assumption of such Commitments was a transfer pursuant to Clause 25.5 (*Procedure for transfer*) and as if that Incremental Facility Increase Lender was a New Lender.

5B.3 Terms of Incremental Facility Increases

Any Incremental Facility Increase shall have Incremental Facility Increase Commitments of a minimum Base Currency Amount of HKD1,000,000 and an integral multiple of HKD1,000,000.

5B.4 General

- (a) Each Obligor confirms:
- (i) the authority of the Parent and the Borrower to agree, implement and establish Incremental Facility Increase Commitments in accordance with this Agreement; and
 - (ii) (to the extent applicable to it) that its guarantee and indemnity recorded in Clause 20 (*Guarantee and indemnity*) (or any applicable Accession Deed or other Finance Document), and all Transaction Security granted by it will, subject only to any applicable limitations on such guarantee and indemnity referred to in Clause 20 (*Guarantee and indemnity*) and any Accession Deed pursuant to which it became an Obligor or the terms of the Transaction Security Documents, extend to include any other obligations arising under or in respect of the Incremental Facility Increase Commitments.
- (b) The Agent may but is not obliged to, for and on behalf of the Finance Parties, together with the Obligors' Agent, effect such amendments to this Agreement and the other Finance Documents as may be necessary or appropriate, in the reasonable opinion of the Agent and the Common Security Agent, to give effect to the provisions of this Clause 5B.
- (c) Each Additional Lender, by providing its acceptance to make available Incremental Facility Increase Commitments in accordance with this Clause 5B, confirms (for the avoidance of doubt) that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the establishment of those Incremental Facility Increase Commitments becomes effective.
- (d) The Agent is authorised by the Group to disclose the terms of any Incremental Facility Increase Notice to any of the other Finance Parties and, upon request by the other Finance Parties, will promptly disclose such terms to the other Finance Parties.
- (e) The provisions of this Agreement will apply (*mutatis mutandis*) to the Incremental Facility Increase Commitments.

6. [Intentionally omitted]

SECTION 4
REPAYMENT, PREPAYMENT AND CANCELLATION

7. Repayment

7.1 *[Intentionally omitted]*

7.2 Revolving Facility

- (a) The Borrower shall repay each Loan in full on the last day of its Interest Period.
- (b) Without prejudice to the Borrower's obligations under paragraph (a) above, if one or more Loans are to be made available to the Borrower:
 - (i) on the same day that a maturing Loan is due to be repaid by the Borrower;
 - (ii) under the same Facility; and
 - (iii) in whole or in part for the purpose of refinancing the maturing Loan,the aggregate amount of the new Loans shall be treated as if applied in or towards repayment of the maturing Loan so that:
 - (A) if the amount of the maturing Loan under the relevant Facility exceeds the aggregate amount of the new Loans of that Facility:
 - (1) the Borrower will only be required to pay an amount in cash in the relevant currency equal to that excess; and
 - (2) each Lender's participation (if any) in the new Loans of that Facility shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender's participation (if any) in the maturing Loan of that Facility and that Lender will not be required to make its participation in the new Loans of that Facility available in cash; and
 - (B) if the amount of the maturing Loan under the relevant Facility is equal to or less than the aggregate amount of the new Loans of that Facility:
 - (1) the Borrower will not be required to make any payment in cash; and
 - (2) each Lender will be required to make its participation in the new Loans of that Facility available in cash only to the extent that its participation (if any) in the new Loans of that Facility exceeds that Lender's participation (if any) in the maturing Loan of that Facility and the remainder of that Lender's participation in the new Loans of that Facility shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender's participation in the maturing Loan of that Facility.
- (c) At any time when a Lender becomes a Defaulting Lender, the maturity date of each of the participations of that Lender in the Loans then outstanding will be automatically extended to the Termination Date and will be treated as separate Loans (the "**Separate Loans**") denominated in the currency in which such participations are outstanding.

- (d) A Separate Loan may be prepaid by giving five (5) Business Days' prior notice to the Agent. The Agent will forward a copy of a prepayment notice received in accordance with this paragraph (d) to the Defaulting Lender concerned as soon as practicable on receipt.
- (e) Interest in respect of a Separate Loan will accrue for successive Interest Periods selected by the Borrower by the time and date specified by the Agent (acting reasonably) and will be payable by the Borrower to the Agent (for the account of that Defaulting Lender) on the last day of each Interest Period of that Loan.
- (f) The terms of this Agreement generally shall continue to apply to Separate Loans other than to the extent inconsistent with paragraphs (c) to (e) above, in which case those paragraphs shall prevail in respect of any Separate Loan.
- (g) Without prejudice to paragraphs (a) and (b) above, until the Borrower notifies the Agent otherwise (which may be by delivery of (i) a separate Utilisation Request indicating the selection of a different Interest Period for the relevant maturing Loan or (ii) a notice to repay the relevant maturing Loan on the last day of the Interest Period of that relevant maturity Loan) not later than 11:00 a.m. three (3) Business Days prior to the last day of the Interest Period of the relevant maturing Loan and subject to paragraph (a) of Clause 4.2 (*Further conditions precedent*), the Borrower hereby makes the request (in place of delivering a separate Utilisation Request) that a Loan in an amount equal to a maturing Loan shall be automatically utilised with the same length of Interest Period as that of such maturing Loan on the last day of the Interest Period of such maturing Loan. The foregoing request shall be deemed to be a Utilisation Request and shall be, unless expressly provided otherwise in this paragraph (g), subject to all other provisions in this Agreement applicable to a Utilisation Request.

8. Illegality, voluntary prepayment and cancellation

8.1 Illegality

If it becomes unlawful in any applicable jurisdiction for a Lender to perform any of its obligations as contemplated by this Agreement or to fund, issue or maintain its participation in any Utilisation:

- (a) that Lender shall promptly notify the Agent upon becoming aware of that event;
- (b) upon the Agent notifying the Borrower, the Commitment of that Lender will be immediately cancelled; and
- (c) to the extent that Lender's participation has not been transferred pursuant to Clause 37.5 (*Replaceable Lenders*), the Borrower shall repay that Lender's participation in each Utilisations on the last day of the Interest Period for each Utilisation occurring after the Agent has notified the Borrower or, if earlier, the date specified by the Lender in the notice delivered to the Agent (being no earlier than the last day of any applicable grace period permitted by law).

8.2 Voluntary cancellation

- (a) The Borrower may, if it gives the Agent not less than five (5) Business Days' prior notice, cancel the whole or any part (being a minimum of HK\$15,000,000) of the Available Facility in respect of the relevant Facility.
- (b) Any cancellation under this Clause 8.2 shall reduce the Commitments of the relevant Lenders rateably under that Facility.

8.3 *[Intentionally omitted]*

8.4 **Voluntary prepayment of Loans**

The Borrower may, if it gives the Agent not less than three (3) Business Days' prior notice, prepay the whole or any part of a Loan (but, if in part, being an amount that, whether alone or with any such prepayment made by any other Borrower at such time, reduces the Base Currency Amount of such Loan by a minimum amount of (i) in case of a Loan denominated in HK dollars, HK\$15,000,000), (ii) in case of a Loan denominated in US dollars, USD2,000,000 and (iii) in case of a Loan denominated in any other currency, the equivalent of USD2,000,000 in such other currency, rounded up to the nearest appropriate million, ten million, hundred million, etc., as determined by the Agent (acting reasonably).

9. Mandatory prepayment

Each Borrower shall prepay the Utilisations and/or cancel Commitments under the Facilities on the dates and in accordance, and otherwise comply, with the provisions of this Clause 9 (*Mandatory prepayment*).

9.1 Definitions

For the purposes of this Clause 9 (*Mandatory prepayment*):

“**Associates**” means, in relation to Mr. Lawrence Ho Yau Lung:

- (a) the spouse, or any minor child (natural or adopted) or minor step-child, of Mr. Lawrence Ho Yau Lung;
- (b) any corporation of which Mr. Lawrence Ho Yau Lung is a director;
- (c) any employee or partner of Mr. Lawrence Ho Yau Lung;
- (d) the trustee of a trust of which Mr. Lawrence Ho Yau Lung, his spouse, minor child (natural or adopted) or minor step-child, is a beneficiary or a discretionary object;
- (e) another person in accordance with whose directions or instructions Mr. Lawrence Ho Yau Lung is accustomed or obliged to act;
- (f) another person accustomed or obliged to act in accordance with the directions or instructions of Mr. Lawrence Ho Yau Lung;
- (g) a corporation in accordance with the directions or instructions of which, or the directions or instructions of the directors of which, Mr. Lawrence Ho Yau Lung is accustomed or obliged to act;
- (h) a corporation which is, or the directors of which are, accustomed or obliged to act in accordance with the directions or instructions of Mr. Lawrence Ho Yau Lung;
- (i) a corporation at general meetings of which Mr. Lawrence Ho Yau Lung, either alone or together with another, is directly or indirectly entitled to exercise or control the exercise of 20% or more of the voting power;
- (j) a corporation of which Mr. Lawrence Ho Yau Lung controls the composition of the board of directors; and
- (k) without limiting the circumstances in which paragraphs (a) to (j) apply, in circumstances concerning the securities of or other interest in a corporation, or rights arising out of the holding of such securities or such interest, any other person with whom Mr. Lawrence Ho Yau Lung has an agreement or arrangement;

- (i) with respect to the acquisition, holding or disposal of such securities or such interest; or
- (ii) under which they undertake to act together in exercising their voting power at general meetings of the corporation.

“**Change of Control (Mr. Ho)**” means the occurrence of any of the following:

- (a) the first day on which Mr. Lawrence Ho Yau Lung and the Associates of Mr. Lawrence Ho Yau Lung (collectively) cease to (directly or indirectly) be the single largest shareholder of SCIH; or
- (b) the first day on which Mr. Lawrence Ho Yau Lung and the Associates of Mr. Lawrence Ho Yau Lung (collectively) cease (directly or indirectly) to control SCIH. For purposes of this definition, “**control**” as used with respect to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such person, whether through the ownership of voting securities, by agreement or otherwise, **provided that** for so long as Mr. Lawrence Ho Yau Lung and the Associates of Mr. Lawrence Ho Yau Lung are the direct or indirect beneficial owners, or have the right to direct the voting (by agreement or otherwise), of at least 20% of the Voting Stock of SCIH, they will be deemed to control SCIH.

“**Concession Expiry**” means a termination, revocation, rescission or modification of a Gaming Concession (including by way of expiry on its terms) which has had a material adverse effect on the financial condition, business, properties, or results of operations of the Group (taken as a whole), excluding any termination, revocation, rescission or modification resulting from or in connection with any renewal, tender or other process conducted by the Macau SAR government in connection with the granting or renewal of any Gaming Concession, **provided that** such renewal, tender or other process results in the granting of a new or renewal of the relevant Gaming Concession.

“**Concession-Related Mandatory Prepayment Event**” means the occurrence of:

- (a) a Concession Expiry; or
- (b) a Land Concession Termination.

“**Disposal Prepayment Event**” means the Disposal of all or substantially all of the business and assets of the Group or all the Obligors.

“**Land Concession Termination**” means the termination, revocation or rescission of the Amended Land Concession (including by way of expiry on its terms but excluding, for the avoidance of doubt, any Permitted Land Concession Amendment) unless a new land concession(s) with respect to the Property is or are granted to one or more of the members of the Group in replacement of the Amended Land Concession.

9.2 Change of Control, Change of Control (Mr. Ho), Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event

- (a) If a Change of Control, Change of Control (Mr. Ho) or Concession-Related Mandatory Prepayment Event occurs:
 - (i) the Parent will promptly notify the Agent upon becoming aware of that event;
 - (ii) no Lender shall be obliged to fund a Utilisation (except for a Rollover Loan); and

- (iii) if a Lender (other than, in the case of a Change of Control (Mr. Ho), a Lender which is a Sponsor Affiliate) so requires and notifies the Agent within 20 Business Days of the earlier of (A) the Parent's notifying the Agent of the event and (B) that Lender becoming aware the event has occurred, the Agent shall, by not less than 10 Business Days' notice to the Parent, cancel the Commitment(s) of that Lender in respect of each Facility and declare the participation of that Lender in all outstanding Utilisations in respect of each Facility, together with accrued interest and all other amounts accrued under the Finance Documents to that Lender, immediately due and payable, whereupon the Commitment of that Lender in respect of each Facility will be cancelled and, to the extent that Lender's relevant participations have not been transferred pursuant to Clause 37.5 (*Replaceable Lenders*), all such outstanding amounts will become immediately due and payable.
- (b) If a Disposal Prepayment Event occurs, the Facilities will be cancelled and all outstanding Utilisations, together with accrued interest and all other amounts accrued under the Finance Documents, shall become immediately due and payable.
- (c) In accordance with paragraph (g) of Clause 37.3 (*Exceptions*), any waiver which relates to a right to prepayment under this Clause 9.2 may only be waived with the consent of the Lender that is entitled to the prepayment.

9.3 LTV Ratio

If the Agent at any time determines that, based upon the most recent Valuation Report provided to or obtained by the a Finance Party pursuant to Clause 4.1 (*Initial conditions precedent*), Clause 22.12 (*Valuation Report*) or otherwise, the LTV Ratio is equal to or exceeds the Maintenance LTV Ratio, the Borrower shall within 30 days upon the written notification of the Agent prepay such part of the Loans such that the Agent is satisfied that the LTV Ratio (after taking into account any such amount subject to prepayment) is less than the Maintenance LTV Ratio.

10. Restrictions

10.1 Notices of cancellation or prepayment

Any notice of cancellation or prepayment, authorisation or other election given by any Party under Clause 8 (*Illegality, voluntary prepayment and cancellation*) shall be irrevocable and, unless a contrary indication appears in this Agreement, any such notice shall specify the date or dates upon which the relevant cancellation or prepayment is to be made, the affected Facility (or Facilities) and Utilisations and the amount of that cancellation or prepayment.

10.2 Interest and other amounts

Any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid and, subject to any Break Costs, without premium or penalty.

10.3 Reborrowing of Facilities

Unless a contrary indication appears in this Agreement, any part of a Facility which is repaid or voluntarily prepaid may be reborrowed in accordance with the terms of this Agreement.

10.4 Prepayment in accordance with Agreement

The Borrower shall not repay or prepay all or any part of the Utilisations or cancel all or any part of the Commitments except at the times and in the manner expressly provided for in this Agreement.

10.5 No reinstatement of Commitments

No amount of the Total Commitments cancelled under this Agreement may be subsequently reinstated.

10.6 Agent's receipt of notices

If the Agent receives a notice under Clause 8 (*Illegality, voluntary prepayment and cancellation*), it shall promptly forward a copy of that notice or election to either the Borrower or the affected Lender, as appropriate.

10.7 [Reserved]

10.8 Effect of repayment and prepayment

If all or part of a Loan under a Facility is repaid or prepaid and is not available for redrawing (other than by operation of Clause 4.2 (*Utilisation conditions precedent*)), an amount of the Commitments (equal to the amount of the Base Currency Amount of the Loan which is repaid or prepaid) in respect of that Facility will be deemed to be cancelled on the date of repayment or prepayment. Any cancellation under this Clause 10.8 (save in connection with any repayment or, as the case may be, prepayment under paragraph (c) of Clause 8.1 (*Illegality*), paragraph (a) of Clause 9.2 (*Change of Control, Change of Control (Mr. Ho), Concession- Related Mandatory Prepayment Event and Disposal Prepayment Event*) or Clause 37.7 (*Cancellation and repayment of a Replaceable Lender (other than an Illegal Lender)*))) shall reduce the Commitments of the Lenders rateably under that Facility.

SECTION 5
COSTS OF UTILISATION

11. Interest

11.1 Calculation of interest – Term Rate Loans

The rate of interest on each Term Rate Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

- (a) Margin; and
- (b) (i) in relation to any Term Rate Loan in the Base Currency, HIBOR; or
(ii) in relation to any Term Rate Loan in any other currency, the Benchmark Rate for that currency,
in each case for such Term Rate Loan and such Interest Period.

11.1A Calculation of interest – Term SOFR Loans

The rate of interest on each Term SOFR Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

- (a) Margin; and
- (b) Reference Rate,
in each case for such Term SOFR Loan and such Interest Period.

11.2 Payment of interest

- (a) The Borrower to which a Loan has been made shall pay accrued interest on that Loan on the last day of each Interest Period (and, if the Interest Period is longer than three Months, on the dates falling at three-monthly intervals after the first day of the Interest Period).
- (b) If the Annual Financial Statements of the Group and related Compliance Certificate received by the Agent show that the Margin should not have been reduced or a higher Margin should have applied to a Loan during a certain period (the **Applicable Period** for the purposes of this paragraph (b)), the next payment(s) of interest falling due on each Loan shall be increased to the extent necessary to put the Agent and the Lenders (but only in respect of payments to the Lenders participating in the relevant Facility both during such Applicable Period and at the time at which such increase is actually made) in the position they would have been in had the appropriate rate of the Margin applied during such period.

11.3 Default interest

- (a) If an Obligor fails to pay any amount payable by it under a Finance Document on its due date, interest shall accrue on the Unpaid Sum from the due date up to the date of actual payment (both before and after judgment) at a rate which, subject to paragraph (b) below, is 2 per cent. per annum higher than the rate which would have been payable if the Unpaid Sum had, during the period of non-payment, constituted a Loan in the currency of the Unpaid Sum for successive Interest Periods, each of a duration selected by the Agent (acting reasonably). Any interest accruing under this Clause 11.3 shall be immediately payable by the relevant Obligor on demand by the Agent.

- (b) If any Unpaid Sum consists of all or part of a Loan which became due on a day which was not the last day of an Interest Period relating to that Loan:
 - (i) the first Interest Period for that Unpaid Sum shall have a duration equal to the unexpired portion of the current Interest Period relating to that Loan; and
 - (ii) the rate of interest applying to the Unpaid Sum during that first Interest Period shall be 2 per cent. per annum higher than the rate which would have applied if the Unpaid Sum had not become due.
- (c) Default interest (if unpaid) arising on an Unpaid Sum will be compounded with the Unpaid Sum at the end of each Interest Period applicable to that Unpaid Sum but will remain immediately due and payable.

11.4 Notification of rates of interest

The Agent shall promptly notify the Lenders and the relevant Borrower (or the Parent) of the determination of a rate of interest under this Agreement.

11.5 Revolving Facility (Green) Margin Adjustment

- (a) The Margin applicable to each Revolving Facility (Green) Loan (including any Revolving Facility (Green) Loan which is a Rollover Loan) shall be adjusted downwards by 0.05% towards the applicable “Applicable Margin” as set out in the table included in the definition of “Margin” (the “**Adjusted Margin**”) for an Interest Period, provided that no Declassification Event has occurred as of the first date of the Interest Period relating to the Revolving Facility (Green) Loan (including any Revolving Facility (Green) Loan which is a Rollover Loan).

The aforesaid adjustment shall be referred to as a “**Margin Adjustment**”.
- (b) Any Margin Adjustment in respect of the Margin of a Revolving Facility (Green) Loan shall take effect from and including the first day of the Interest Period relating to that Revolving Facility (Green) Loan (including any Revolving Facility (Green) Loan which is a Rollover Loan).
- (c) For the avoidance of doubt and for the purposes of computing the Adjusted Margin, the Agent shall apply the Margin Adjustment to the margin for a Revolving Facility (Green) Loan (including any Revolving Facility (Green) Loan which is a Rollover Loan) in accordance with the definition of Margin (save for the effect of this Clause 11.5), and not the prevailing Adjusted Margin for that Revolving Facility (Green) Loan.
- (d) If a Declassification Event has occurred at any time during the life of the Revolving Facility (Green), the Margin Adjustment shall be disappplied in respect of any Revolving Facility (Green) Loan (including any Revolving Facility (Green) Loan which is a Rollover Loan) to which the first day of its Interest Period commences after the Declassification Event.

12. Interest Periods

12.1 Selection of Interest Periods

- (a) The Borrower (or the Parent on behalf of the Borrower) may select an Interest Period for a Loan in the Utilisation Request for that Loan.
- (b) Subject to this Clause 12, the Borrower (or the Parent) may select an Interest Period for a Loan of one, three or six Months or any other period agreed between the Borrower and the Agent (acting on the instructions of all the Lenders in relation to the relevant Loan).

- (c) An Interest Period for a Loan shall not extend beyond the Termination Date applicable to its Facility.
- (d) Each Interest Period for a Loan shall start on the Utilisation Date with respect to that Loan or (if already made) on the last day of its preceding Interest Period.
- (e) Each Loan has one Interest Period only.

12.2 Non-Business Days

If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

13. Changes to the calculation of interest

13.1 Absence of quotations

Subject to Clause 13.2 (*Market disruption*) and Clause 37.3A (*Replacement of Screen Rate*), if HIBOR or, if applicable, a Benchmark Rate, is to be determined by reference to the Reference Banks but a Reference Bank does not supply a quotation by (in relation to HIBOR) 11:00 a.m. (Hong Kong SAR time) on the Quotation Date for HK dollars or (in relation to a Benchmark Rate) 5:00 p.m. (Hong Kong SAR time) one Business Day after the Quotation Date for Optional Currencies, HIBOR, or, if applicable, that Benchmark Rate shall be determined on the basis of the quotations of the remaining Reference Banks.

13.2 Market disruption

- (a) If a Market Disruption Event occurs in relation to a Loan for any Interest Period, then the rate of interest on each Lender's share of that Loan for the Interest Period shall be the percentage rate per annum which is the sum of:
 - (i) the Margin; and
 - (ii) the rate notified to the Agent by that Lender as soon as practicable and in any event not less than the date falling two (2) Business Days after the Quotation Date (or, if earlier, on the date falling two (2) Business Days prior to the date on which interest is due to be paid in respect of that Interest Period), to be that which expresses as a percentage rate per annum the cost to that Lender of funding its participation in that Loan from whatever source it may reasonably select.
- (b) In this Agreement "**Market Disruption Event**" means:
 - (i) at or about noon on the Quotation Date for the relevant Interest Period for the relevant Loan the Screen Rate is not available or the Screen Rate is zero or negative and none or only one of the Reference Banks supplies a rate to the Agent to determine HIBOR or, if applicable, a Benchmark Rate for the relevant currency and Interest Period; or
 - (ii) before close of business on the Business Day immediately following the Quotation Date for the relevant Interest Period, the Agent receives notifications from a Lender or Lenders (whose aggregate participations in that Loan exceed 35 per cent. of that Loan) that the cost to it of obtaining matching deposits in the Relevant Interbank Market would be in excess of HIBOR or, if applicable, the Benchmark Rate.

- (c) If a Market Disruption Event shall occur, the Agent shall promptly notify the Lenders and the Borrower thereof.
- (d) If:
 - (i) the percentage rate per annum notified by a Lender pursuant to paragraph (a)(ii) above is less than HIBOR or, if applicable, the Benchmark Rate; or
 - (ii) a Lender has not notified the Agent of a percentage rate per annum notified by a Lender pursuant to paragraph (a)(ii) above, the cost to that Lender of funding its participation in that Loan for that Interest Period shall be deemed, for the purposes of paragraph (a) above, to be HIBOR or, if applicable, the Benchmark Rate.

13.3 Alternative basis of interest or funding

- (a) If a Market Disruption Event occurs or Clause 13.6 (*Cost of Funds*) applies and the Agent or the Borrower so requires, the Agent and the Borrower shall enter into negotiations (for a period of not more than thirty days) with a view to agreeing a substitute basis for determining the rate of interest.
- (b) Any alternative basis agreed pursuant to paragraph (a) above shall, with the prior consent of all the Lenders and the Borrower, be binding on all Parties.
- (c) For the avoidance of doubt, in the event that no substitute basis is agreed at the end of the thirty day period, the rate of interest shall continue to be determined in accordance with the terms of this Agreement.

13.4 Break Costs

- (a) Each Borrower shall, within three (3) Business Days of demand by a Finance Party, pay to that Finance Party its Break Costs attributable to all or any part of a Loan or Unpaid Sum being paid by that Borrower on a day other than the last day of an Interest Period for that Loan or Unpaid Sum.
- (b) Each Lender shall, as soon as reasonably practicable after a demand by the Agent, provide a certificate confirming the amount of its Break Costs for any Interest Period in which they accrue.

13.5 Unavailability of Term SOFR

- (a) *Interpolated Term SOFR*: If Term SOFR is not available for the Interest Period of a Term SOFR Loan, the Reference Rate for such Interest Period shall be Interpolated Term SOFR for a period equal in length to the Interest Period of that Term SOFR Loan.
- (b) *Historic Term SOFR*: If paragraph (a) above applies but Interpolated Term SOFR is not available for the Interest Period of the relevant Term SOFR Loan, the Reference Rate for such Interest Period shall be Historic Term SOFR for a period equal in length to the Interest Period of that Term SOFR Loan.
- (c) *Interpolated Historic Term SOFR*: If paragraph (b) above applies but Historic Term SOFR is not available for the Interest Period of the relevant Term SOFR Loan, the Reference Rate for such Interest Period shall be Interpolated Historic Term SOFR for a period equal in length to the Interest Period of that Term SOFR Loan.

- (d) *Cost of funds*: If paragraph (c) above applies but the Interpolated Historic Term SOFR is not available for the Interest Period of the relevant Term SOFR Loan, there shall be no Reference Rate for that Term SOFR Loan and Clause 13.6 (*Cost of Funds*) shall apply to that Term SOFR Loan for that Interest Period.

13.6 Cost of Funds

- (a) If this Clause 13.6 applies, then the rate of interest on each Lender's share of that Loan for the Interest Period shall be the percentage rate per annum which is the sum of:
- (i) the Margin; and
 - (ii) the rate notified to the Agent by that Lender as soon as practicable and in any event not less than the date falling two (2) Business Days after the Quotation Date (or, if earlier, on the date falling two (2) Business Days prior to the date on which interest is due to be paid in respect of that Interest Period), to be that which expresses as a percentage rate per annum the cost to that Lender of funding its participation in that Loan from whatever source it may reasonably select.
- (b) If a Lender has not notified the Agent of a percentage rate per annum notified by a Lender pursuant to paragraph (a)(ii) above, the cost to that Lender of funding its participation in that Loan for that Interest Period shall be deemed, for the purposes of paragraph (a) above, to be the average of the percentage rate(s) per annum notified to the Agent by each of the other Lenders which has notified the Agent of a percentage rate per annum notified by a Lender pursuant to paragraph (a)(ii) above.

14. Fees

14.1 Commitment fee

- (a) The Borrower shall (or shall procure that a Group Member will) pay to the Agent (for the account of each Lender) a commitment fee in the Base Currency that is computed at a rate of 35 per cent. of the Margin applicable to each Facility on that Lender's Available Commitment under that Facility for the period from (and including) the first date of the Availability Period applicable to the relevant Facility to (but excluding) the last day of the Availability Period applicable to that Facility, *provided that* for the purposes of calculating the Margin applicable to the Revolving Facility (Green), to the extent that margin adjustments has been made in accordance with Clause 11.5 (*Revolving Facility (Green) Margin Adjustment*) in respect of a Revolving Facility (Green) Loan during such Availability Period, the relevant Adjusted Margin shall deemed to be applicable to the relevant Available Commitment under the Revolving Facility (Green).
- (b) The accrued commitment fee is payable on the last day of each successive period of three Months which ends during the relevant period specified in paragraph (a) above, on the last day of the relevant Availability Period and, if cancelled in full, on the cancelled amount of the relevant Lender's Commitment at the time such cancellation is effective.
- (c) The Borrower shall pay to the Agent (for the account of each applicable Incremental Facility Increase Lender) the fee (if any) specified as the commitment fee in the applicable Incremental Facility Increase Notice at the times and in the amounts specified in the applicable Incremental Facility Increase Notice.

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- (d) No commitment fee is payable to the Agent (for the account of a Lender) on any Available Commitment of that Lender for any day on which that Lender is a Defaulting Lender.

14.2 Agent's fee

The Borrower shall pay to the Agent (for its own account) an agency fee in the amount and at the times agreed in any Fee Letter.

14.3 Upfront fee

The Borrower shall pay to the Agent (for the account of the Original Lenders) an upfront fee in the amount and at the times agreed in any Fee Letter.

14.4 Green Loan Coordinator's fees

The Borrower shall pay to the Agent (for the account of the Green Loan Coordinator) such fees in the amount and at the times agreed in any Fee Letter.

SECTION 6
ADDITIONAL PAYMENT OBLIGATIONS

15. Tax gross-up and indemnities

15.1 Definitions

- (a) In this Agreement:

“**Protected Party**” means a Finance Party which is or will be subject to any liability or required to make any payment for or on account of Tax in relation to a sum received or receivable (or any sum deemed for the purposes of Tax to be received or receivable) under a Finance Document.

“**Tax Credit**” means a credit against, relief or remission for, or repayment of, any Tax.

“**Tax Deduction**” means a deduction or withholding for or on account of Tax from a payment under a Finance Document, other than a FATCA Deduction.

“**Tax Payment**” means either the increase in a payment made by an Obligor to a Finance Party under Clause 15.2 (*Tax gross-up*) or a payment under Clause 15.3 (*Tax indemnity*).

Unless a contrary indication appears, in this Clause 15 a reference to “**determines**” or “**determined**” means a determination made in the absolute discretion of the person making the determination.

15.2 Tax gross-up

- (a) Each Obligor shall make all payments to be made by it under a Finance Document without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) The Borrower shall promptly upon an Obligor becoming aware that such Obligor must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Agent accordingly. Similarly, a Lender shall notify the Agent on becoming so aware in respect of a payment payable to that Lender. If the Agent receives such notification from a Lender it shall notify the Borrower and that relevant Obligor.
- (c) If a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from that Obligor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- (d) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.
- (e) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Obligor making that Tax Deduction shall deliver to the Agent for the Finance Party entitled to the payment evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

15.3 Tax indemnity

- (a) Without prejudice to Clause 15.2 (*Tax gross-up*), the Borrower shall (within five (5) Business Days of demand by the Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Protected Party in respect of a Finance Document or the transactions occurring under such Finance Document.

- (b) Paragraph (a) above shall not apply:
 - (i) with respect to any Tax assessed on a Finance Party:
 - (A) under the law of the jurisdiction in which that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes; or
 - (B) under the law of the jurisdiction in which that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,

if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Finance Party;
 - (ii) to the extent a loss, liability or cost is compensated for by an increased payment under Clause 15.2 (*Tax gross-up*); or
 - (iii) to the extent a loss, liability or cost relates to a FATCA Deduction required to be made by a Party.
- (c) A Protected Party making, or intending to make a claim under paragraph (a) above shall notify the Agent of the event which will give, or has given, rise to the claim within 120 days after the date on which that Protected Party becomes aware of it (after which that Protected Party shall not be entitled to claim any indemnification or payment under this Clause 15.3), following which the Agent shall notify the Borrower.
- (d) A Protected Party shall, on receiving a payment from an Obligor under this Clause 15.3, notify the Agent.

15.4 Tax Credit

If an Obligor makes a Tax Payment and the relevant Finance Party determines that:

- (a) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part or to that Tax Payment; and
- (b) that Finance Party has obtained, utilised and retained that Tax Credit,

the Finance Party shall pay an amount to the relevant Obligor which that Finance Party determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the relevant Obligor.

15.5 Stamp taxes

The Borrower shall pay and, within five (5) Business Days of demand, indemnify each Secured Party against any cost, loss or liability that Secured Party incurs in relation to all stamp duty, registration, excise and other similar Taxes payable in respect of any Finance Document or the transactions occurring under any of them.

15.6 Indirect tax

- (a) All amounts set out or expressed in a Finance Document to be payable by any Party to a Finance Party shall be deemed to be exclusive of any Indirect Tax. If any Indirect Tax is chargeable on any supply made by any Finance Party to any Party in connection with a Finance Document, that Party shall pay to the Finance Party (in addition to and at the same time as paying the consideration) an amount equal to the amount of the Indirect Tax.

- (b) Where a Finance Document requires any Party to reimburse a Finance Party for any costs or expenses, that Party shall also at the same time pay and indemnify the Finance Party against all Indirect Tax incurred by that Finance Party in respect of the costs or expenses to the extent that the Finance Party reasonably determines that it is not entitled to credit or repayment in respect of the Indirect Tax.

15.7 Survival of obligations

Without prejudice to the survival of any other section of this Agreement, the agreements and obligations of each Obligor and each Finance Party contained in this Clause 15 shall survive the payment in full by the Obligors of all obligations under this Agreement and the termination of this Agreement.

15.8 FATCA Information

- (a) Subject to paragraph (c) below, each Party shall, within 10 Business Days of a reasonable request by another Party:
 - (i) confirm to that other Party whether it is:
 - (A) a FATCA Exempt Party; or
 - (B) not a FATCA Exempt Party;
 - (ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and
 - (iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation, or exchange of information regime.
- (b) If a Party confirms to another Party pursuant to paragraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.
- (c) Paragraph (a) above shall not oblige any Finance Party to do anything, and paragraph (a)(iii) above shall not oblige any other Party to do anything, which would or might in its reasonable opinion constitute a breach of:
 - (i) any law or regulation;
 - (ii) any fiduciary duty; or
 - (iii) any duty of confidentiality.
- (d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraph (a)(i) or (ii) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Finance Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

15.9 FATCA Deduction

- (a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.
- (b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the Party to whom it is making the payment and, in addition, shall notify the Borrower and the Agent and the Agent shall notify the other Finance Parties.

16. Increased Costs

16.1 Increased costs

- (a) Subject to Clause 16.3 (*Exceptions*) the Borrower shall, within five (5) Business Days of a demand by the Agent, pay for the account of a Finance Party the amount of any Increased Costs incurred by that Finance Party or any of its Affiliates as a result of:
 - (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation after the date of this Agreement; or
 - (ii) compliance with any law or regulation made after the date of this Agreement.

The terms “law” and “regulation” in this paragraph (a) shall include, without limitation, any law or regulation concerning capital adequacy, prudential limits, liquidity, reserve assets or Tax.

- (b) In this Agreement:

- (i) “**Increased Costs**” means:

- (A) a reduction in the rate of return from a Facility or on a Finance Party’s (or its Affiliate’s) overall capital (including, without limitation, as a result of any reduction in the rate of return on capital brought about by more capital being required to be allocated by such Finance Party);
 - (B) an additional or increased cost; or
 - (C) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Finance Party or any of its Affiliates to the extent that it is attributable to that Finance Party having entered into its Commitment or funding or performing its obligations under any Finance Document; and

- (ii) “**Basel III**” means (A) the agreements on capital requirements, a leverage ratio and liquidity standards contained in “Basel III: A global regulatory framework for more resilient banks and banking systems”, “Basel III: International framework for liquidity risk measurement, standards and monitoring” and “Guidance for national authorities operating the countercyclical capital buffer” published by the Basel Committee on Banking Supervision on 16 December 2010, each as amended, supplemented or restated, (B) the rules for global systemically important banks contained in “Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text” published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated and (C) any further guidance or standards published by the Basel Committee on Banking Supervision relating to “Basel III”.

16.2 Increased cost claims

- (a) A Finance Party intending to make a claim pursuant to Clause 16.1 (*Increased costs*) shall notify the Agent of the event giving rise to the claim within 120 days of the date on which that Finance Party becomes aware of it, following which the Agent shall promptly notify the Borrower.
- (b) Each Finance Party shall, as soon as practicable after a demand by the Agent, provide a certificate confirming the amount of its Increased Costs.

16.3 Exceptions

- (a) Clause 16.1 (*Increased costs*) does not apply to the extent any Increased Cost is:
 - (i) attributable to a Tax Deduction required by law to be made by an Obligor;
 - (ii) compensated for by Clause 15.3 (*Tax indemnity*) (or would have been compensated for under Clause 15.3 (*Tax indemnity*) but was not so compensated solely because any of the exclusions in paragraph (b) of Clause 15.3 (*Tax indemnity*) applied);
 - (iii) attributable to a FATCA Deduction required to be made by a Party;
 - (iv) attributable to the wilful breach by the relevant Finance Party or its Affiliates of any law or regulation; or
 - (v) attributable to the implementation or application of or compliance with the “International Convergence of Capital Measurement and Capital Standards, a Revised Framework” published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement (but excluding any amendment arising out of Basel III) (“**Basel II**”) or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its Affiliates); or
 - (vi) not notified to the Agent by the Finance Party (that is claiming any indemnification or payment under this Clause 16 in respect of such Increased Cost) within 120 days of the date of such Finance Party becoming aware of the event giving rise to such Increased Costs in accordance with paragraph (a) of Clause 16.2 (*Increased costs claims*).
- (b) In this Clause 16.3, a reference to a “**Tax Deduction**” has the same meaning given to the term in Clause 15.1 (*Definitions*).

17. Other indemnities

17.1 Currency indemnity

- (a) If any sum due from an Obligor under the Finance Documents (a “**Sum**”), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the “**First Currency**”) in which that Sum is payable into another currency (the “**Second Currency**”) for the purpose of:

(i) making or filing a claim or proof against that Obligor; or

(ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

that Obligor shall as an independent obligation, within five (5) Business Days of demand, indemnify each Finance Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

- (b) Each Obligor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

17.2 Other indemnities

- (a) The Borrower shall (or shall procure that an Obligor will), within five (5) Business Days of demand, indemnify each Finance Party against any cost, loss or liability incurred by it as a result of:

(i) the occurrence of any Event of Default;

(ii) any information produced or approved by any Obligor being or being alleged to be misleading and/or deceptive in any respect;

(iii) any enquiry, investigation, subpoena (or similar order) or litigation with respect to any Obligor or with respect to the transaction contemplated or financed under this Agreement;

(iv) a failure by an Obligor to pay any amount due under a Finance Document on its due date or in the relevant currency, including without limitation, any cost, loss or liability arising as a result of Clause 30 (*Sharing among the Finance Parties*);

(v) funding, or making arrangements to fund, its participation in a Loan requested in a Utilisation Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by that Finance Party alone); or

(vi) a Loan (or part of a Loan) not being prepaid in accordance with a notice of prepayment given by the Borrower or the Parent.

17.3 Indemnity to the Agent

The Borrower shall promptly indemnify the Agent against:

- (a) any cost, loss or liability incurred by the Agent (acting reasonably) as a result of:

(i) investigating any event which it reasonably believes is a Default; and

(ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; and

- (b) any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Agent (otherwise than by reason of the Agent's gross negligence or wilful misconduct) in acting as Agent under the Finance Documents.

17.4 Indemnity to the Green Loan Coordinator

The Borrower shall promptly indemnify the Green Loan Coordinator against:

- (a) any cost, loss or liability incurred by the Green Loan Coordinator (acting reasonably) as a result of:
 - (i) investigating any event which it reasonably believes is a Declassification Event;
 - (ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; and
- (b) any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Green Loan Coordinator (otherwise than by reason of its gross negligence or wilful misconduct) in acting as the Green Loan Coordinator under the Finance Documents.

18. Mitigation by the Lenders

18.1 Mitigation

- (a) Each Finance Party shall, in consultation with the Borrower, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under or pursuant to, or cancelled pursuant to, any of Clause 8.1 (*Illegality*), Clause 15 (*Tax gross-up and indemnities*) or Clause 16 (*Increased Costs*), including (but not limited to) transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office.
- (b) Paragraph (a) above does not in any way limit the obligations of any Obligor under the Finance Documents.

18.2 Limitation of liability

- (a) The Borrower shall indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party as a result of steps taken by it under Clause 18.1 (*Mitigation*).
- (b) A Finance Party is not obliged to take any steps under Clause 18.1 (*Mitigation*) if, in the opinion of that Finance Party (acting reasonably), to do so might be prejudicial to it.

19. Costs and expenses

19.1 Transaction expenses

The Borrower shall within five (5) Business Days (other than in respect of costs and expenses required to be paid as a condition to Utilisation) of demand pay (or shall procure that another member of the Group will pay) the Agent, the Common Security Agent, the POA Agent and the Green Loan Coordinator the amount of all costs and expenses (including legal fees and fees or cost of any Second Party Opinion but subject to any agreed caps) reasonably incurred by the Agent, the Common Security Agent, the POA Agent or the Green Loan Coordinator as applicable (and, in the case of the Common Security Agent and the POA Agent, by any Receiver or Delegate) in connection with the negotiation, preparation, printing, execution, syndication and perfection of any Finance Documents executed after the date of this Agreement.

19.2 Amendment costs

If an Obligor requests an amendment, waiver or consent, or an amendment is required pursuant to Clause 5B (*Incremental Facility Increases*), Clause 31.10 (*Change of currency*), Clause 37.3A (*Replacement of Screen Rate*) or any other provision of this Agreement, the Borrower shall, within five (5) Business Days of demand, reimburse (or shall procure that another member of the Group will reimburse) each of the Agent, the Common Security Agent, the POA Agent and the Green Loan Coordinator for the amount of all costs and expenses (including legal fees, disbursements and other out of pocket expenses) reasonably incurred or made by the Agent, the Common Security Agent, the POA Agent or the Green Loan Coordinator as applicable (and, in the case of the Common Security Agent and the POA Agent, by any Receiver or Delegate) in responding to, evaluating, negotiating or complying with that request or requirement.

19.3 Common Security Agent's ongoing costs

- (a) In the event of (i) a Default or (ii) the Common Security Agent considering it necessary or expedient or (iii) the Common Security Agent being requested by an Obligor or the Majority Lenders to undertake duties which the Common Security Agent and the Borrower agree to be of an exceptional nature and/or outside the scope of the normal duties of the Common Security Agent under the Finance Documents, the Borrower shall pay (or shall procure that another member of the Group will pay) to the Common Security Agent any additional remuneration that may be agreed between them.
- (b) If the Common Security Agent and the Borrower fail to agree upon the nature of the duties or upon any additional remuneration, that dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Common Security Agent and approved by the Borrower or, failing approval, nominated (on the application of the Common Security Agent) by the President for the time being of the Law Society of Hong Kong (the costs of the nomination and of the investment bank being payable by the Borrower) and the determination of any investment bank shall be final and binding upon the parties to this Agreement.

19.4 Enforcement and preservation costs

The Borrower shall, within five (5) Business Days of demand, pay (or shall procure that another member of the Group will pay) to each Secured Party the amount of all costs and expenses (including legal fees, disbursements and other out of pocket expenses) incurred by it in connection with the enforcement of or the preservation of any rights under any Finance Document and the Transaction Security and any proceedings instituted by or against the Common Security Agent or the POA Agent as a consequence of taking or holding the Transaction Security or enforcing these rights.

**SECTION 7
GUARANTEE**

20. Guarantee and indemnity

20.1 Guarantee and indemnity

Each Guarantor irrevocably and unconditionally jointly and severally:

- (a) guarantees to each Finance Party punctual performance by each other Obligor of all that Obligor's obligations under the Finance Documents;
- (b) undertakes with each Finance Party that whenever another Obligor does not pay any amount when due under or in connection with any Finance Document, that Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) agrees with each Finance Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Finance Party immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by a Guarantor under this indemnity will not exceed the amount it would have had to pay under this Clause 20 if the amount claimed had been recoverable on the basis of a guarantee.

20.2 Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

20.3 Reinstatement

If for any reason (including, without limitation, as a result of insolvency, breach of fiduciary or statutory duties or any similar event):

- (a) any payment to a Finance Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided, reduced or required to be restored, or
- (b) any discharge, compromise or arrangement (whether in respect of the obligations of any Obligor or any security for any such obligation or otherwise) given or made wholly or partly on the basis of any payment, security or other matter which is avoided, reduced or required to be restored,

then:

- (i) the liability of each Obligor shall continue (or be deemed to continue) as if the payment, discharge, compromise or arrangement had not occurred; and
- (ii) each Finance Party shall be entitled to recover the value or amount of that payment or security from each Obligor, as if the payment, discharge, compromise or arrangement had not occurred.

20.4 Waiver of defences

The obligations of each Guarantor under this Clause 20 will not be affected by any act, omission, matter or thing which, but for this Clause 20, would reduce, release or prejudice any of its obligations under this Clause 20 (without limitation and whether or not known to it or any Finance Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security (whether pursuant to Clauses 2.2 (*Increase*) or 5B (*Incremental Facility Increases*) or by any other means));
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security;
- (g) any insolvency or similar proceedings; or
- (h) this Agreement or any other Finance Document not being executed by or binding against any other Guarantor or any other party.

20.5 Guarantor intent

Without prejudice to the generality of Clause 20.4 (*Waiver of defences*), each Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental and of whatsoever nature and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for or in connection with any purpose whatsoever, including without limitation, any of the following: any amendment or waiver contemplated under a Fee Letter, any Property or Site expansion; acquisitions of any nature; increasing working capital; enabling dividends or distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and expenses associated with any of the foregoing.

20.6 Immediate recourse

Each Guarantor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Clause 20. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

20.7 Appropriations

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, each Finance Party (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Guarantor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from any Guarantor or on account of any Guarantor's liability under this Clause 20.

20.8 Deferral of Guarantors' rights

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Agent otherwise directs, no Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Clause 20:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Guarantor has given a guarantee, undertaking or indemnity under this Clause 20;
- (e) to exercise any right of set off against any Obligor; and/or
- (f) to claim or prove as a creditor of any Obligor in competition with any Finance Party.

If any Obligor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all the Secured Obligations to be repaid or discharged in full, on trust for the Finance Parties and shall promptly pay or transfer the same to the Agent or as the Agent may direct for application in accordance with Clause 31 (*Payment mechanics*).

20.9 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party.

SECTION 8
REPRESENTATIONS, UNDERTAKINGS AND EVENTS OF DEFAULT

21. Representations

Each Obligor makes the representations and warranties set out in this Clause 21 (*Representations*) to each Finance Party at the times set out herein.

21.1 Times when representations made

- (a) All the representations and warranties in this Clause 21 are made by each Obligor on the date of this Agreement and the first Utilisation Date.
- (b) The Repeating Representations are deemed to be made by each Obligor on:
 - (i) the date of each Utilisation Request;
 - (ii) each Utilisation Date; and
 - (iii) the first day of each Interest Period.
- (c) The representations and warranties set out in paragraph (a) of Clause 21.14 (*Financial statements*) are deemed to be made by the Borrower in respect of each set of financial statements supplied to the Agent on the date such financial statements are delivered and shall only be made once in respect of each set of financial statements.
- (d) The Repeating Representations and each of the representations and warranties set out in Clause 21.9 (*No filing or stamp taxes*), Clause 21.10 (*Deduction of Tax*) and paragraph (a) of Clause 21.14 (*Financial statements*) (as if such representation applied to the financial statements delivered by that Additional Guarantor as a condition precedent to its accession to this Agreement) are deemed to be made by each Additional Guarantor on the day on which it becomes an Additional Guarantor.
- (e) Each representation or warranty made or deemed to be made after the date of this Agreement shall be made or deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is made or deemed to be made.

21.2 Status

- (a) Each Obligor is a limited liability corporation or company duly incorporated or organised, as the case may be, and validly existing under the law of its jurisdiction of incorporation or organisation, as the case may be.
- (b) Each of the Obligors has the power to own its assets and carry on its business as it is being conducted.

21.3 Binding obligations

Subject to the Legal Reservations:

- (a) the obligations expressed to be assumed by each Obligor in each Transaction Document to which it is a party are legal, valid, binding and enforceable obligations; and
- (b) without limiting the generality of paragraph (a) above, each Transaction Security Document to which it is a party creates the security interests which that Transaction Security Document purports to create and those security interests are valid and effective.

21.4 Pari Passu

The payment obligations under the Finance Documents of each of the Obligor rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

21.5 Non-conflict with other obligations

The entry into and performance by each Obligor of, and the transactions contemplated by, the Transaction Documents and the granting of the Transaction Security do not and will not conflict with:

- (a) any law or regulation applicable to such Obligor;
- (b) its Constitutional Documents; or
- (c) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument, except where a Material Adverse Effect does not or would not be reasonably expected to occur.

21.6 Power and authority

Each Obligor has the power to enter into, perform and deliver, and if that Obligor is a corporation has taken all necessary corporate action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is or will be a party and the transactions contemplated by those Transaction Documents.

21.7 Validity and admissibility in evidence

- (a) All Authorisations required:
 - (i) to enable each Obligor lawfully to enter into, exercise its rights and comply with its obligations under the Transaction Documents to which it is a party; and
 - (ii) to make the Transaction Documents to which it is a party admissible in evidence in its Relevant Jurisdictions, have been obtained or effected and are in full force and effect.
- (b) All Authorisations necessary for it to carry out its business, where the failure of obtaining such Authorisations has or would reasonably be expected to have a Material Adverse Effect, have been obtained or effected and are in full force and effect.

21.8 Governing law and enforcement

Subject to the Legal Reservations:

- (a) the choice of governing law of the Finance Documents will be recognised and enforced in each Obligor's Relevant Jurisdictions; and
- (b) any judgment obtained in relation to a Finance Document in the jurisdiction of the governing law of that Finance Document will be recognised and enforced in its Relevant Jurisdictions.

21.9 No filing or stamp taxes

Subject to the Legal Reservations, under the laws of each Obligor's Relevant Jurisdictions it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents (save for (i) the associated fees, duties or similar payments pursuant to the Perfection Requirements, (ii) any stamp, registration, notarial or similar Tax which is referred to in any legal opinion of legal counsel in Macau SAR delivered to the Agent under this Agreement, which will be made or paid promptly after the date of the relevant Finance Document and (iii) Cayman Islands stamp duty will be payable on any Finance Document that is brought into, executed in or produced before the courts of, the Cayman Islands).

21.10 Deduction of Tax

No Obligor is required under the laws of its Relevant Jurisdiction or at its address specified in accordance with this Agreement to make any deduction for or on account of Tax from any payment it may make under any Finance Document.

21.11 No default

- (a) No Event of Default is continuing or would reasonably be expected to result from the making of any utilisation or the entry into, the performance of, or any transaction contemplated by, any Transaction Document.
- (b) No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (however described) under any other agreement or instrument which is binding on any Obligor or to which its assets are subject which has or would reasonably be expected to have a Material Adverse Effect.

21.12 Taxation

No Obligor is materially overdue in the filing of any Tax returns nor is any Obligor overdue in the payment of any amount in respect of Tax, (a) where the failure to file or pay the Tax has or would reasonably be expected to have a Material Adverse Effect or (b) unless such payment is being contested in good faith by appropriate measures and sufficient reserves in cash or other liquid assets have been retained in accordance with GAAP in respect of such payment.

21.13 No misleading information

Except as disclosed to the Agent in writing prior to the date of this Agreement, to the Borrower's knowledge (*provided that* such limitation by reference to the Borrower's knowledge shall not apply with respect to information that solely relates to the Borrower and does not relate to any other member of the Group):

- (a) any financial projection or forecast contained in the Financial Model (the "**Projections**") have been prepared in good faith on the basis of recent historical information and on the basis of assumptions believed by the Borrower to be reasonable (as at the time of preparation) and have been prepared, where applicable, in accordance with the applicable accounting principles as disclosed to the Lenders, it being understood that the Projections are subject to significant uncertainties and contingencies many of which are beyond the control of the Group and that no assurances can be given that the Projections will be realised;
- (b) any written factual information provided by any member of the Group to a Finance Party in connection with the Financial Model or the negotiation of and entry into this Agreement is, taken as a whole, true, complete and accurate in all material respects and is, taken as a whole, not misleading in any respect (in each case) as at the date on which such information is provided; and

- (c) all other written information provided by any member of the Group to a Finance Party pursuant to any express provision of any Finance Document on or after the date of this Agreement is, taken as a whole, true, complete and accurate in all material respects and is, taken as a whole, not misleading in any respect (in each case) as at the date on which such information is provided other than as disclosed to the Agent in writing on or before the date on which such information is provided.

21.14 Financial statements

- (a) The most recent consolidated financial statements of the Parent delivered pursuant to Clause 22.4 (*Financial statements*) or otherwise pursuant to this Agreement (which, at the date of this Agreement, are the Original Financial Statements):
 - (i) have been prepared in accordance with GAAP; and
 - (ii) give a true and fair view of (if audited) or fairly represent (if unaudited) its consolidated financial condition as at the end of, and consolidated results of operations for, the period to which they relate.
- (b) The Projections supplied under or in connection with this Agreement:
 - (i) were arrived at after careful consideration and have been prepared in good faith and with due care on the basis of recent historical information and on the basis of assumptions which were reasonable as at the date they were prepared and supplied; and
 - (ii) are consistent in all material respects with the provisions of the Transaction Documents (including Clause 22 (*Information undertakings*)) and the Original Financial Statements.
- (c) Since 31 December 2023 there has been no material adverse change in the business, assets or financial condition of the Group (taken as a whole).

21.15 No proceedings started or threatened

Save for any frivolous or vexatious claims (which, in the case of any such proceedings commenced in any jurisdiction other than Macau SAR, have been vacated, discharged, stayed or bonded pending appeal within 60 days of commencement) or save as otherwise disclosed to and accepted by the Agent, to the best of its knowledge and belief and having made due and careful enquiry, no litigation, arbitration, administrative proceedings or investigations of, or before, any court, arbitral body or other Governmental Authority which has or would reasonably be expected to have a Material Adverse Effect have been started or threatened against any Obligor.

21.16 No breach of laws

No Obligor has breached any law or regulation which breach has or would reasonably be expected to have a Material Adverse Effect.

21.17 No breach of Environmental laws

- (a) Each Obligor is in compliance with Clause 23.4 (*Environmental compliance*) and to the best of its knowledge and belief (having made due and careful enquiry) no circumstances have occurred which would prevent such compliance in a manner or to an extent which has or would reasonably be expected to have a Material Adverse Effect.
- (b) To the best of its knowledge and belief (having made due and careful enquiry), the Property does not contain any hazardous substances or antiquities or other obstructions whose presence affects or would reasonably be expected to affect any Obligor or the Property or the Phase II Project in any manner that would reasonably be expected to have a Material Adverse Effect.

21.18 Ranking of Transaction Security

Subject to the Legal Reservations (other than any qualification or reservation in a legal opinion as to the ranking of the Transaction Security which are not matters of law of general application), the Transaction Security has or (when granted) will have first ranking priority and it is not subject to any prior ranking or *pari passu* ranking Security.

21.19 Good and marketable title to assets

Each Obligor has good, valid and marketable title to, or valid leases or licences of or is otherwise permitted to use the assets necessary to carry on its business as currently conducted.

21.20 Legal and beneficial ownership

- (a) Each of the Obligors is or will be (as the case may be) the sole legal and beneficial owner of the respective assets over which it purports to grant Security in each case free from any claims, third party rights or competing interests other than any Permitted Lien.
- (b) [*Intentionally not used*].

21.21 Shares

The shares of any Obligor which are or will be subject to the Transaction Security are fully paid and not subject to any option to purchase or similar rights. Neither the Constitutional Documents of companies whose shares are subject to the Transaction Security nor any other Legal Requirement can or do restrict or inhibit any transfer or other disposal of those shares on creation or enforcement of the Transaction Security except that the Constitutional Documents of the Macau Obligors contain certain preferential rights in case of a voluntary or judicial transfer of shares. There are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of any Obligor (including any option or right of pre-emption or conversion), other than as permitted by the Finance Documents).

21.22 Insurance

- (a) Each Obligor is insured by insurers of recognised financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses and in the jurisdiction in which it is or proposed to be engaged.
- (b) To the best knowledge and belief of each Obligor (after having made due and careful enquiry), no event or circumstance has occurred (including any omission to disclose any fact) which could validly entitle the relevant insurers in respect of any such insurance to terminate, rescind or otherwise avoid or reduce its liability under such insurance to the extent such termination, rescission, avoidance or reduction has or would reasonably be expected to have a Material Adverse Effect.

21.23 Amended Land Concession

- (a) The Agent has received a true, complete and correct copy of the Amended Land Concession in effect or required to be in effect as of the date this representation is made or (as a Repeating Representation) deemed to be made (including all exhibits, schedules, disclosure letters, modifications and amendments referred to therein or delivered or made pursuant thereto, if any).
- (b) The Amended Land Concession is in full force and effect and enforceable against the parties thereto in accordance with its terms, subject only to the Legal Reservations.

21.24 Labour disputes

There are no strikes, lockouts, stoppages, slowdowns or other labour disputes against any Obligor pending or, to the best of the knowledge and belief (having made all due and proper enquiry) of each Obligor, threatened that (individually or in the aggregate) have or would be reasonably expected to have a Material Adverse Effect.

21.25 Anti-terrorism laws

- (a) To the best of the Obligors' knowledge, no Obligor nor any Affiliate thereof: (i) is, or is controlled by, a Restricted Party; (ii) has received funds or other property from a Restricted Party; or (iii) is in breach of or is the subject of any action or investigation under any Anti-Terrorism Law.
- (b) Each Obligor and, to the best of the Obligors' knowledge, each Affiliate thereof has taken reasonable measures to ensure compliance with the Anti-Terrorism Laws.
- (c) The operations of each Obligor and, to the best of the Obligors' knowledge, each Group Member and each Affiliate of each Obligor and each Group Member thereof, are and have been conducted in material compliance with all applicable financial record keeping and reporting requirements and the applicable anti-money laundering and anti-terrorist financing statutes of jurisdictions where such Obligor, Group Member or Affiliate conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued or administered or enforced by any governmental agency (together with the Anti-Terrorism Laws, the "**Anti-Money Laundering and Anti-Terrorism Financing Laws**") and no action, suit or proceeding by or before any court or governmental agency, authority or body or arbitrator involving any Obligor, Group Member or Affiliate with respect to the Anti-Money Laundering and Anti-Terrorism Financing Laws are pending or threatened.

21.26 Acting as principal

Save for the Parent when acting in its capacity as Obligors' Agent, each Obligor is acting as principal for its own account and not as agent or trustee in any capacity on behalf of any person in relation to the Finance Documents.

21.27 Green Loans

- (a) All Green Loan Information was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated. Nothing has been omitted or withheld that, if disclosed, would result in that information being untrue or misleading in any material respect.
- (b) The Eligible Green Assets have been selected and evaluated in accordance with, are being financed in compliance with and align with the Green Loan Principles.

22. Information undertakings

22.1 Content

The Obligors undertake to each Finance Party that they shall comply with the covenants set out in this Clause 22 (*Information undertakings*).

22.2 Duration

The covenants in this Clause 22 (*Information undertakings*) remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

22.3 Definitions

In this Agreement:

“**Annual Financial Statements**” means the financial statements for a Financial Year delivered pursuant to paragraph (a) of Clause 22.4 (*Financial statements*);

“**Annual Financial Statements (SCIH)**” means the financial statements for a Financial Year delivered pursuant to paragraph (c) of Clause 22.4 (*Financial statements*);

“**Officer**” means the Chairman of the Board, Chief Executive Officer, Chief Financial Officer, President, any Executive Vice President, Senior Vice President or Vice President, Treasurer or Secretary of the Borrower or the Parent or Melco Resorts (as the case may be), or any Directors of the Board or any person acting in that capacity, in each case acting with due authority;

“**Quarterly Financial Statements**” means the financial statements delivered pursuant to paragraph (b) of Clause 22.4 (*Financial statements*); and

“**Quarterly Financial Statements (SCIH)**” means the financial statements delivered pursuant to paragraph (d) of Clause 22.4 (*Financial statements*).

22.4 Financial statements

The Parent shall supply to the Agent in sufficient copies for all the Lenders:

- (a) as soon as they are available, but in any event within 120 days after the end of each of its Financial Years the audited consolidated financial statements for that Financial Year of the Parent reported on by the Auditors commencing with the Financial Year ending 31 December 2024;
- (b) as soon as they are available, but in any event within 60 days after the end of each of first three Financial Quarters of each of its Financial Years, the unaudited consolidated financial statements for that Financial Quarter of the Parent commencing with the Financial Quarter ending 31 March 2025;
- (c) as soon as they are available, but in any event within 120 days after the end of each of its Financial Years the audited consolidated financial statements for that Financial Year of SCIH reported on by the Auditors commencing with the Financial Year ending 31 December 2024; and
- (d) as soon as they are available, but in any event within 60 days after the end of each of first three Financial Quarters of each of its Financial Years, the unaudited consolidated financial statements for that Financial Quarter of SCIH commencing with the Financial Quarter ending 31 March 2025,

provided that, in respect of paragraphs (c) and (d) only, the relevant financial statements may be provided by the Parent (and the Parent’s obligation to deliver such financial statements thereunder may be satisfied) through posting those financial statements onto an electronic website maintained by the U.S. Securities and Exchange Commission or any electronic website required by the U.S. Securities and Exchange Commission to be maintained by or on behalf of SCIH and providing the Agent with the address of that electronic website to those financial statements.

22.4A Compliance Certificate

- (a) The Borrower shall supply to the Agent, with each set of financial statements delivered pursuant to paragraph (a) or (b) of Clause 22.4 (*Financial statements*), a Compliance Certificate setting out (in reasonable detail) computations as to (i) in case of each set of financial statements for a period ending on a Quarter Date falling before the First Test Date, Interest Cover, Senior Leverage, Senior Gearing and the LTV Ratio for the Relevant Period ending on that Quarter Date (for the avoidance of doubt, for information purposes only) and (ii) thereafter, compliance with Clause 22A.2 (*Financial condition*), in each case as at the date as at which those financial statements were drawn up.

- (b) The Borrower shall supply to the Agent, with each set of financial statements delivered pursuant to paragraph (c) or (d) of Clause 22.4 (*Financial statements*), a certificate setting out (in reasonable detail) computations as to the aggregate amount of Borrowings of SCIH and its Subsidiaries that is (among other things) secured by any asset or equity interest (including, for the avoidance of doubt, the Loans) and signed by a duly authorised director of SCIH (the “**Compliance Certificate (SCIH)**”).

22.5 Requirements as to financial statements

- (a) The Parent shall procure that each set of Annual Financial Statements, Annual Financial Statements (SCIH), Quarterly Financial Statements and Quarterly Financial Statements (SCIH) includes a balance sheet, profit and loss account and (other than a Quarterly Financial Statement (SCIH)) cashflow statement. In addition the Parent shall procure that:
 - (i) each set of Annual Financial Statements of the Parent and Annual Financial Statements (SCIH) of SCIH shall be audited by the Auditors; and
 - (ii) each set of Quarterly Financial Statements and Quarterly Financial Statements (SCIH) includes equivalent figures for the Financial Year to date and each set of Annual Financial Statements, Annual Financial Statements (SCIH), Quarterly Financial Statements and Quarterly Financial Statements (SCIH) also sets forth in comparative form figures for the previous year (if any).
- (b) Each set of financial statements delivered pursuant to Clause 22.4 (*Financial statements*):
 - (i) shall be certified by an Officer of the Parent as giving a true and fair view of (in the case of Annual Financial Statements and Annual Financial Statements (SCIH) for any Financial Year), or fairly representing (in other cases), its financial condition and operations as at the date as at which those financial statements were drawn up, and in the case of its audited Original Financial Statements, the Annual Financial Statements and Annual Financial Statements (SCIH), fairly representing (as at the time such financial statements are delivered) its consolidated financial condition and results of operations and give a true and fair view of its consolidated financial condition and results of operations; and
 - (ii) shall be prepared using GAAP, accounting practices and financial reference periods substantially consistent with those applied in the preparation of the Financial Model and the Original Financial Statements unless the Parent notifies the Agent that there has been a change in GAAP, or the accounting practices, in which case, it shall deliver to the Agent:
 - (A) a description of any change necessary for those financial statements to reflect GAAP, or accounting practices upon which the Financial Model, the Original Financial Statements or, as the case may be, any subsequent financial statements were prepared; and
 - (B) sufficient information, in form and substance as may be reasonably required by the Agent, to enable the Lenders to make an accurate comparison between the financial position indicated in those financial statements and the Financial Model, the Original Financial Statements or, as the case may be, any subsequent financial statements.

- (c) If the Parent notifies the Agent of any change in accordance with paragraph (b)(ii) above, the Parent and Agent shall enter into negotiations in good faith with a view to agreeing:
 - (i) whether or not the change might result in any material alteration in the commercial effect of any of the terms of this Agreement; and
 - (ii) if so, any amendments to this Agreement which may be necessary to ensure that the change does not result in any material alteration in the commercial effect of those terms,

and, if any amendments are agreed they shall take effect and be binding on each of the Parties in accordance with their terms. If no such agreement is reached within 30 days of that notification of change, the Agent shall (if so requested by the Majority Lenders) instruct the Auditors or independent accountants (approved by the Parent or, in the absence of such approval within 5 days of request by the Agent of such approval, a firm with recognised expertise) to determine any amendments to any terms of this Agreement which the Auditors or, as the case may be, accountants (acting as experts and not arbitrators) consider appropriate to ensure the change does not result in any material alteration in the commercial effect of the terms of this Agreement. Those amendments shall take effect when so determined by the Auditors, or as the case may be, accountants. The cost and expense of the Auditors or accountants shall be for the account of the Borrower.

22.6 Other Secured Obligations

The Parent shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests) at the same time as sent to the relevant Credit Facility Creditors (other than the Finance Parties) or Pari Passu Debt Creditors (as the case may be):

- (a) any notification of (together with an invitation to each Lender to attend but not participate at) any noteholder or lender meeting, presentation, conference call or other material event announced publicly; and
- (b) any other notice, document or information provided by an Obligor to any Credit Facility Creditor (other than the Finance Parties) or to any Pari Passu Debt Creditor in connection with any Credit Facility Documents, Credit Facility Liabilities, Pari Passu Debt Documents or Pari Passu Debt Liabilities.

22.7 Year-end

The Parent shall not change its Financial Year-end or Financial Quarter-end and shall procure that each Financial Year-end of each member of the Group, each other Obligor and SCIH falls on 31 December and each Financial Quarter-end of each member of the Group, each other Obligor and SCIH falls on the relevant Quarter Date.

22.8 Information: miscellaneous

The Parent shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests):

- (a) promptly, details of any insurance claim or series of related insurance claims by any Obligor under any insurance policies required to be maintained under this Agreement which exceed, in aggregate, US\$50,000,000 (or its equivalent), details of material changes in the insurance cover under any insurance policies required to be maintained under this Agreement in respect of the Group and, upon request by the Agent, copies of insurance policies or certificates of insurance in respect of the Group under any insurance policies required to be maintained under this Agreement or such other evidence of the existence of those policies as may be reasonably acceptable to the Agent;

- (b) (i) a copy of each written notice which is delivered under or in connection with the Amended Land Concession to or from the Macau SAR Government or any Governmental Authority (if material to the interests of the Finance Parties) promptly upon despatch or receipt of such notice and (ii) promptly upon becoming aware of them, the details of any Permitted Land Concession Amendment, in each case, other than where such disclosure is restricted by confidentiality obligations;
- (c) at the same time as they are dispatched, copies of all documents dispatched by the Parent to its shareholders generally (or any class of them in their capacity as shareholders) or dispatched by the Parent to its creditors generally (or any class of them) (other than in the ordinary course of business);
- (d) promptly upon becoming aware of them, the details of any material litigation, arbitration or investigation by a Governmental Authority or other administrative proceedings other than any frivolous or vexatious proceedings which are current, threatened or pending against any Obligor which would involve a loss, liability, or a potential or alleged loss or liability which, if adversely determined, has or would reasonably be expected to have a Material Adverse Effect, in each case together with such other information concerning such proceedings as the Agent may reasonably require;
- (e) promptly upon becoming aware of them, the details of any Asset Sale or Compliance Sale;
- (f) a copy of any filing made by Melco Resorts with any stock exchange or regulatory authority in respect of circumstances that could give rise to a Change of Control at the same time as that filing is made, *provided that* such filing may be redacted or excluded to the extent such details or information are subject to any legal restrictions binding on the Parent;
- (g) promptly, such information as the Common Security Agent may reasonably require about the Charged Property and compliance of the Obligors with the terms of any Transaction Security Documents;
- (h) promptly on request, such further information regarding the financial condition, assets and operations of any Obligor or an updated Group Structure Chart as any Finance Party through the Agent may reasonably request; and
- (i) promptly and for information purpose only, a copy of (A) the project budget for the Phase II Project following its approval by an Officer of Melco Resorts; and (B) any information in respect of the Phase II Project delivered to the creditors of any Financial Indebtedness incurred under clause (b)(i)(A)(y) or clause (b)(xvii) of Section 4 (*Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*) of Schedule 10 (*Covenants*) for the purposes of funding the Phase II Project.

22.9 Notification of default

- (a) Each Obligor shall notify the Agent of any continuing Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless that Obligor is aware that a notification has already been provided by another Obligor).

- (b) Promptly upon a request by the Agent, the Borrower shall supply to the Agent a certificate signed by two authorised signatories (one of whom is a director of the Parent) on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).
- (c) Each Obligor shall notify the Agent of the occurrence promptly upon becoming aware thereof of an event of default (however described) under or in respect of the High Yield Notes, the Additional High Yield Notes or, following any High Yield Note Refinancing or Additional High Yield Notes Refinancing, the high yield notes issued pursuant to the High Yield Note Refinancing or Additional High Yield Notes Refinancing (as the case may be) (unless that Obligor is aware that a notification has already been provided by another Obligor).
- (d) Each Obligor shall notify the Agent of the occurrence promptly upon becoming aware thereof of an event of default (however described) under or in respect of any Secured Obligations Document (other than the Finance Documents) (unless that Obligor is aware that a notification has already been provided by another Obligor).

22.10 “Know your customer” checks

- (a) If:
 - (i) any existing law or regulation or the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;
 - (ii) any change in the status of an Obligor or the composition of the shareholders of an Obligor after the date of this Agreement; or
 - (iii) a proposed assignment or transfer by a Lender of any of its rights and/or obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges the Agent or any Lender (or, in the case of paragraph (iii) above, any prospective new Lender) to comply with “know your customer” or similar identification procedures in circumstances where the necessary information is not already available to it, each Obligor shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in paragraph (iii) above, on behalf of any prospective new Lender) in order for the Agent, such Lender or, in the case of the event described in paragraph (iii) above, any prospective new Lender to carry out and be satisfied with the results of all necessary “know your customer” or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.
- (b) Each Lender shall promptly upon the request of the Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself) in order for the Agent to carry out and be satisfied with the results of all necessary “know your customer” or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.
- (c) The Parent shall, by not less than 10 Business Days’ prior written notice to the Agent, notify the Agent (which shall promptly notify the Lenders) of its intention to request that one of its Subsidiaries becomes an Additional Guarantor pursuant to Clause 27 (*Changes to the Obligors*).

- (d) Following the giving of any notice pursuant to paragraph (c) above, if the accession of such Additional Guarantor obliges the Agent or any Lender to comply with “know your customer” or similar identification procedures in circumstances where the necessary information is not already available to it, the Borrower shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or on behalf of any prospective new Lender) in order for the Agent or such Lender or any prospective new Lender to carry out and be satisfied it has complied with all necessary “know your customer” or other similar checks under all applicable laws and regulations pursuant to the accession of such Subsidiary to this Agreement as an Additional Guarantor.

22.11 Unrestricted Subsidiaries

If any Subsidiaries of the Borrower have been designated as Unrestricted Subsidiaries, the information delivered under Clause 22.4 (*Financial statements*) will include reasonably detailed information as to the financial condition of the Group separate from that of the Unrestricted Subsidiaries.

22.12 Valuation Report

The Borrower shall, on or prior to each anniversary of the date of this Agreement, deliver to the Agent a Valuation Report in form and substance satisfactory to Agent (acting on the instructions of the Majority Lenders) (with respect to valuation as of a date falling not earlier than three (3) months prior to (A) the date of delivery of such Valuation Report and (B) that anniversary date) to the Agent.

22.13 Green Loan Information Undertaking

- (a) The Borrower shall (at its own cost) provide the Agent (in sufficient copies for all the Finance Parties, if the Agent so reasonably requests) a Green Loan Compliance Certificate (in form and substance satisfactory to the Green Loan Coordinator (acting on the instructions of the Majority Lenders)) on each anniversary of the date of this Agreement.
- (b) If requested by the Agent (acting on the instructions of any Finance Party), the Borrower shall supply to the Agent (in sufficient copies for all the Finance Parties, if the Agent so reasonably requests) any information (in reasonable detail) related to the Eligible Green Assets, including but not limited to:
 - (i) any evidence reasonably required by a Finance Party to ascertain whether the use of proceeds of any Revolving Facility (Green) Loan aligns with the Core Components of the Green Loan Principles; and
 - (ii) all documentation and other written information relating to the “green” nature of the Revolving Facility (Green) or any Revolving Facility (Green) Loan (including, but not limited to, those relating to acceptable accreditation, certification bodies or government agencies, technical reports or other supporting documentation) as requested by the Agent (acting on the instructions of the Majority Lenders) from time to time, provided that no more than one request may be made in any Financial Quarter, and the Agent shall provide the same to that Finance Party.
- (c) The Borrower shall notify the Agent and the Green Loan Coordinator and from time to time supply to the Agent and the Green Loan Coordinator any such relevant information as soon as reasonably practicable (and in any event within five (5) Business Days) after the occurrence (or the likely occurrence) of:

- (i) a material change to the Eligible Green Assets; and
 - (ii) the details of any non-compliance with Clause 23.18 (*Green Loan Provisions*),
- which, in each case, would reasonably be expected to result in the occurrence of a Declassification Event.
- (d) The Parties acknowledge and agree that the Agent, the Green Loan Coordinator and the Lenders may rely, without independent verification, upon the accuracy, adequacy and completeness of the Green Loan Information, and that neither the Agent, the Green Loan Coordinator nor any Lender:
- (i) assumes any responsibility or has any liability for any Green Loan Information; or
 - (ii) has an obligation to conduct any appraisal of any Green Loan Information.

22A Financial Covenants

22A.1 Financial definitions

In this Agreement:

“**Applicable Test Date**” means each Test Date falling on or after the First Test Date.

“**Borrowings**” means, at any time, the outstanding principal, capital or nominal amount and any fixed or minimum premium payable on prepayment or redemption of any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) any Capitalised Lease Obligations (and for the avoidance of doubt, any deposit paid to and retained by a member of the Group in connection with any lease of real property shall not fall within this paragraph (d));
- (e) receivables sold or discounted (other than any receivables to the extent they are sold or discounted on a non-recourse basis (or where recourse is limited to customary warranties and indemnities));
- (f) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of an entity which is not a member of the Group which liability would fall within one of the other paragraphs of this definition, **excluding** (i) any given in respect of (A) trade credit arising in the ordinary course of business or (B) any performance or similar bond guaranteeing performance by a member of the Group under any contract entered into in the ordinary course of trade; (ii) any documentary credit which is or is to the extent of being, cash collateralised and (iii) any contingent liability of a member of the Group under a Concession Guarantee Facility or any other bank guarantee or performance bond in each case that is required to be posted under the terms of the Amended Land Concession or Gaming Concession;

- (g) any amount raised by the issue of redeemable shares which are redeemable (other than solely at the option of the issuer) on or before the longest dated Final Repayment Date;
- (h) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind the entry into the agreement is to raise finance or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 180 days after the date of supply;
- (i) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing; and
- (j) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in (a) to (i) above,

excluding in each case (but only to the extent otherwise included):

- (i) any current trade receivables and payables arising between (x) on the one hand, members of the Group and (y) on the other, members of the Sponsor Group Shareholders, arising in the ordinary course of trading; and
- (ii) any amount of any liability under a financial instrument which, in accordance with GAAP, is treated as equity,

and, for the avoidance of doubt (and notwithstanding the exclusions above), including any Financial Indebtedness in respect of Bondco Loans.

“**Capitalised Lease Obligations**” means, with respect to any person, any obligation arising from leases or hire purchase contracts which, under GAAP would be required to be treated as a Finance Lease or otherwise capitalised in the (where applicable, audited) financial statements of that person, but only to the extent of that treatment and excluding (a) any obligation arising from an Excluded Lease, and (b) any guarantee given by a member of the Group in the ordinary course of business solely in connection with, or in respect of, any obligations of any other a member of the Group referred to in (a).

“**Concession Guarantee**” means any guarantees for the arrangement of cash or deposit collateral for the Amended Land Concession or the Gaming Concession.

“**Concession Guarantee Facility**” means any facility extended to a member of the Group for the issuance of any Concession Guarantee.

“**Consolidated EBITDA**” means, for any Relevant Period, the consolidated profits of the Group from ordinary activities before taxation for that Relevant Period:

- (a) **before deducting** any income Tax expense (whether or not paid during that period) other than Tax on gross gaming revenue;
- (b) **before deducting** any Consolidated Net Finance Charges (which, for the purposes of this paragraph (b) only, shall include the aggregate amount of any accrued interest or any other finance charges payable under any Sponsor Group Loan or Subordinated Debt);
- (c) **before taking into account** any accrued interest owing to any member of the Group;
- (d) **before taking into account** any gains, losses or charges associated with hedges, options or other derivative instruments;
- (e) **before deducting** any amount attributable to the amortisation of goodwill or other intangible assets or debt issuance costs or the depreciation of tangible assets;

- (f) **before taking into account** any items treated as Exceptional Items or extraordinary items;
- (g) **after deducting** the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests;
- (h) **after deducting** the amount of any profit of any investment or entity (which is not itself a member of the Group) in which any member of the Group has an ownership interest to the extent that the amount of such profit included in the financial statements of the Group exceeds the amount (net of applicable withholding tax) received in cash by members of the Group through distributions by such investment or entity;
- (i) **before taking into account** any realised and unrealised exchange gains and losses including those arising on translation of currency debt; and
- (j) **before taking into account** any gain or loss arising from an upward or downward revaluation of any asset,

in each case, without double counting to the extent added, deducted or taken into account, as the case may be, for the purposes of determining profits of the Group from ordinary activities before taxation.

“**Consolidated Net Finance Charges**” means, for any Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment penalties or premiums and other finance payments in respect of Borrowings whether paid, payable or capitalised by any member of the Group in respect of that Relevant Period:

- (a) **excluding** any such obligations owed to any other member of the Group;
- (b) **including** the interest element of leasing and hire purchase payments in respect of Finance Leases (but, for the avoidance of doubt, **excluding** any rental payments in respect of any operating lease or leases which, in accordance with GAAP, are treated as an operating lease or in respect of any Excluded Leases);
- (c) **including** any accrued commission, fees, discounts and other finance payments payable by any member of the Group to counterparties under any interest rate or other hedging arrangement;
- (d) **deducting** any accrued commission, fees, discounts and other finance payments owing to any member of the Group under any interest rate or other hedging arrangement;
- (e) **deducting** any accrued interest owing to any member of the Group on any Cash or Cash Equivalent Investments;
- (f) **including** any interest or other finance payments (capitalised or otherwise) in respect of any Bondco Loans and **excluding** any interest or other finance payments (capitalised or otherwise) in respect of any Sponsor Group Loans or Subordinated Debt (other than the Bondco Loans); and
- (g) **excluding** any accrued commission and fees payable by the Borrower under any Fee Letters or amortisation of debt issuance costs.

“**Consolidated Senior Debt**” means, at any time, the aggregate amount of all obligations of the Group for or in respect of Borrowings but:

- (a) **excluding** any such obligations to any other member of the Group and any Sponsor Group Loans or Subordinated Debt (and, for the avoidance of doubt, any obligations under or in respect of any Bondco Loans);

- (b) **excluding** any obligations under or in respect of any High Yield Note Guarantees and Senior Notes Guarantees;
- (c) **including**, in the case of finance leases, only the capitalised value therefor; and
- (d) **excluding** any such obligations which are not secured by any assets of or equity interests in any member of the Group at that time, and so that no amount shall be included or excluded more than once.

“**Consolidated Total Assets**” means, as at any date, the consolidated total assets of the Group in accordance with GAAP as shown on the balance sheet of the Parent for such date.

“**Excluded Lease**” means any lease or hire purchase contract, or a liability under which, which would, in accordance with GAAP be treated as an operating lease liability on the balance sheet of the relevant entity.

“**Exceptional Items**” means any material items of an unusual or non-recurring nature which represent gains or losses including those arising in connection with:

- (a) the restructuring of the activities of an entity and reversals of any provisions for the cost of restructuring;
- (b) disposals, revaluations or impairment of non-current assets;
- (c) disposals of assets associated with discontinued operations;
- (d) issuance or repayment of indebtedness, refinancing transactions or amendment or modifications; or
- (e) expenses related to costs incurred in connection with any acquisition, investment or recapitalization.

“**Finance Lease**” means any lease or hire purchase contract, or a liability under which, which would, in accordance with GAAP, be treated as a balance sheet liability (other than an Excluded Lease).

“**Financial Quarter**” means the period commencing on the day after one Quarter Date and ending on the next Quarter Date.

“**Financial Year**” means the annual accounting period of the Group ending on or about 31 December in each year.

“**First Test Date**” means the immediately next Quarter Date falling after the first Utilisation Date.

“**Interest Cover**” means, in respect of any Relevant Period, the ratio of:

- (a) the aggregate of the Consolidated EBITDA and the amount of any Cash or Cash Equivalent Investments of the Group as at the last day of that Relevant Period,
- to
- (b) Consolidated Net Finance Charges in respect of such Relevant Period.

“**New Equity**” means the cash proceeds of fully paid ordinary or non-redeemable preference shares in the Borrower or fully paid redeemable shares in the Borrower with a redemption date after the Final Repayment Date, which are issued to the Parent for cash whether prior to, on or after the first Utilisation Date.

“**New Shareholder Injections**” means the aggregate amount of New Equity and/or New Shareholder Loan.

“**New Shareholder Loan**” means any subordinated loan or any instrument or agreement evidencing a loan (as the case may be) made to the Borrower by the Parent after the first Utilisation Date, in each case which constitutes Subordinated Debt.

“**Quarter Date**” means each of 31 March, 30 June, 30 September and 31 December in each Financial Year.

“**Relevant Period**” means each period of twelve months ending on the last day of each Financial Quarter of the Parent’s financial year.

“**Senior Gearing**” means, in respect of any Relevant Period, the ratio of Consolidated Senior Debt on the last day of that Relevant Period to Consolidated Total Assets on the last day of such Relevant Period, expressed as a percentage.

“**Senior Leverage**” means, in respect of any Relevant Period, the ratio of Consolidated Senior Debt on the last day of that Relevant Period to Consolidated EBITDA in respect of such Relevant Period.

“**Subordinated Debt**” means the Financial Indebtedness owed by any Obligor to another Obligor or a Sponsor Group Shareholder that is subordinated to the Facilities in accordance with the terms provided in respect thereof by the Intercreditor Agreement or otherwise on terms that are acceptable to the Agent (acting on the instructions of the Majority Lenders).

“**Test Date**” means each Quarter Date.

22A.2 Financial condition

The Parent and the Borrower shall ensure that:

(a) Interest Cover

Interest Cover in respect of each Relevant Period ending on an Applicable Test Date specified in column 1 below shall not be less than the ratio set out in column 2 below opposite that Applicable Test Date:

Column 1 Applicable Test Date	Column 2 Interest Cover
First Test Date and each Applicable Test Date falling prior to 31 March 2027	1.75:1
Each Applicable Test Date falling on or after 31 March 2027	2.00:1

(b) Senior Leverage

Senior Leverage in respect of each Relevant Period ending on an Applicable Test Date shall not exceed 2.75:1.

(c) Senior Gearing

Senior Gearing in respect of each Relevant Period ending on an Applicable Test Date shall not exceed 30 per cent.

22A.3 Financial testing

- (a) The financial covenants set out in Clause 22A.2 (*Financial condition*) shall be calculated and tested by reference to each of the Annual Financial Statements or Quarterly Financial Statements and/or each Compliance Certificate delivered pursuant to Clause 22.4A (*Compliance Certificate*).
- (b) [*Intentionally omitted*].
- (c) To the extent any financial covenant, Senior Leverage, Interest Cover ratio or Senior Gearing is used as the basis (in whole or part) for determining whether any transaction or activity is permitted or making any determination under any Finance Document (including on a *pro forma* basis) at any time after a Test Date (but not for the purposes of compliance with this Clause 22A), Consolidated Senior Debt as at such Test Date shall (for the purposes of such determination only) be deemed to have been reduced to take into account any repayment of Financial Indebtedness of any member of the Group made after such Test Date but on or before the date of such determination (as if such repayment were made on such Test Date) and shall be deemed to have been increased to take into account any incurrence or assumption of Financial Indebtedness by any member of the Group after such Test Date but on or before the date of such determination (as if such incurrence or assumption were made on such Test Date), and such financial covenant, Senior Leverage, Interest Cover ratio or Senior Gearing as at such Test Date or for the Relevant Period ending on such Test Date shall, for the purposes of such determination, be determined accordingly.
- (d) For the purpose of this Clause 22A, no item shall be included or excluded or otherwise taken into account more than once in any calculation.

23. General undertakings

The undertakings in this Clause 23 shall continue for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

23.1 Notes covenants

In addition to the undertakings set out below in this Clause 23, below, each Obligor shall (and the Parent shall ensure that each member of the Group will) comply with each of the covenants set out in Schedule 10 (*Covenants*).

23.2 Permits

Each Obligor shall promptly:

- (a) when necessary obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) upon request by the Agent supply certified copies to the Agent of,

any Permit (including any amendments, supplements or other modifications thereto) and any Authorisation required under any law or regulation of a Relevant Jurisdiction to:

- (i) enable it to perform its obligations under the Transaction Documents;
- (ii) ensure the legality, validity, enforceability or admissibility in evidence of any Transaction Document; and

- (iii) enable it to own its assets and to carry on its business (including any assets owned and business conducted or proposed to be owned or conducted in connection with the Property),

where failure to obtain or comply with those Permits or Authorisations would reasonably be expected to have a Material Adverse Effect and shall promptly deliver to the Agent:

- (A) any notice that any Governmental Authority may condition approval of, or any application for, any of those Permits or Authorisations held by it on terms and conditions that are materially burdensome to the Obligor, or to the operation of any of its businesses or any assets owned by it to the extent comprised in the Property, in each case in a manner not previously contemplated; and
- (B) such other documents and information as from time to time may reasonably be requested by the Agent in relation to any of the matters referred to in this paragraph Clause 23.2.

23.3 Compliance with laws

Each Obligor shall comply in all respects with all Legal Requirements (where failure to do so has or would be reasonably expected to have a Material Adverse Effect) and its Constitutional Documents and will comply with (and conduct its business in compliance with) all applicable anti-money laundering, anti-corruption, counter-terrorism financing, economic or trade sanctions laws and regulations in each case applicable to an Obligor (including, without limitation, each Anti-Terrorism Law), will not directly or indirectly use the proceeds of the Facilities in a manner which would breach any such laws and regulations and will maintain policies and procedures designed to promote and achieve compliance with such laws and regulations.

23.4 Environmental compliance

Each Obligor shall:

- (a) comply in all material respects with all Environmental Laws applicable to it;
- (b) obtain, maintain and ensure compliance in all material respects with all requisite Environmental Permits;
- (c) implement procedures to monitor compliance with and to prevent liability under any Environmental Law,

where failure to do so has or would reasonably be expected to have a Material Adverse Effect.

23.5 Environmental claims

Each Obligor shall (through the Parent) inform the Agent in writing as soon as reasonably practicable upon its becoming aware of:

- (a) any Environmental Claim that has commenced or been threatened against any member of the Group which is current, pending or threatened (including copies of any notices from any Governmental Authority of non compliance with any material Environmental Law or Environmental Permit to which the Property is subject and any other notices of Environmental Claims); or
- (b) any facts or circumstances which results in or would reasonably be expected to result in any Environmental Claim being commenced or threatened against any member of the Group,

in each case where such Environmental Claim has or would reasonably be expected, if determined against that member of the Group, to have a Material Adverse Effect.

23.6 Taxation

- (a) Each Obligor shall duly and punctually pay and discharge all Taxes required to be paid by it when due within the time period allowed without incurring penalties unless and only to the extent that:
 - (i) such payment is being contested in good faith;
 - (ii) adequate reserves are being maintained for those Taxes or other obligations and the costs required to contest them; and
 - (iii) such payment can be lawfully withheld and failure to pay those Taxes or other obligations does not have and would not reasonably be expected to have a Material Adverse Effect.
- (b) No Obligor may change its residence for Tax purposes.

23.7 No substantial change to the general nature of the business of the Group

The Borrower shall procure that no substantial change is made to the general nature of the business of the Group taken as a whole from that carried on as at 31 December 2023.

23.8 Holding companies

None of the Parent, the Borrower shall trade, carry on any business or own any assets or incur any liabilities except for:

- (a) (in the case of the Parent) ownership of shares in the Borrower and (in the case of the Borrower), ownership of shares in other Obligor;
- (b) intra-Group debit balances, intra-Group credit balances and other credit balances in bank accounts, Cash and Cash Equivalent Investments and Permitted Investments but only if those shares, credit balances, Cash and Cash Equivalent Investments and Permitted Investments are subject to the Transaction Security,
- (c) making of intra-Group loans not otherwise restricted by this Agreement (including pursuant to Clause 23.1 (*Notes covenants*));
- (d) the incurrence of intra-Group financial indebtedness not otherwise restricted by this Agreement (including pursuant to Clause 23.1 (*Notes covenants*));
- (e) provisions of administrative, treasury, legal, accounting and similar services to the other Obligor;
- (f) any liabilities under the Finance Documents, any other Secured Obligations Documents, the High Yield Note Documents or any Additional High Yield Note Documents (and, following any High Yield Note Refinancing or Additional High Yield Note Refinancing (as the case may be), any documents or instruments relating thereto), in each case, to which it is a party and the performance of any obligation thereunder; and/or
- (g) professional fees and administration costs in the ordinary course of business as a holding company.

23.9 Pari passu ranking

Each Obligor shall ensure that at all times any unsecured and unsubordinated claims of a Finance Party against it under the Finance Documents rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies.

23.10 Insurance

- (a) Each Obligor shall maintain in full force and effect at all times insurances and reinsurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.
- (b) All such insurances and reinsurances must be with reputable independent insurance companies or underwriters.

23.11 Access

Each Obligor shall:

- (a) keep proper books of record and account in which full, true and correct entries in conformity with GAAP and all Legal Requirements are made;
- (b) subject to prior reasonable request and notice (but notice only where a Default is continuing), procure that the Agent, the Common Security Agent, accountants or other professional advisers or contractors of the Agent or the Common Security Agent be allowed reasonable rights of inspection and access during normal business hours to the Property and any other premises or assets of any member of the Group, to the Auditors and other senior officers of any member of the Group and to the books, accounts and records, and any other documents relating to the Property or any Obligor as they may reasonably require, and so as not unreasonably to interfere with their operations or those of any counterparty to the Amended Land Concession or Gaming Concession, and to take copies of any documents inspected.

23.12 Intellectual Property

Each Obligor shall:

- (a) preserve and maintain the subsistence and validity of the Intellectual Property necessary for the business of the Obligor or Group Member for or in connection with the Property; and
- (b) in carrying on its business, not knowingly infringe any Intellectual Property of any third party, and shall prevent any infringement of the Intellectual Property required by it in connection with the Property;
- (c) make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property necessary for its business in full force and effect and record its interest in that Intellectual Property;
- (d) not use or permit the Intellectual Property necessary for or in connection with the Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may affect the existence or value of the Intellectual Property or imperil the right of any Obligor or member of the Group to use such property; and
- (e) not discontinue the use of the Intellectual Property necessary for or in connection with the Property,

where failure to do so, in the case of paragraphs (a) to (c) above, or, in the case of paragraphs (d) and (e) above, such use, permission to use, omission or discontinuation, has or would reasonably be expected to have a Material Adverse Effect.

23.13 Hedging and Treasury Transactions

No Obligor shall enter into any Treasury Transaction, other than:

- (a) interest rate and/or foreign exchange hedging arrangements entered into in the ordinary course of business and not for speculative purposes (including hedging in respect of actual or projected exposures in relation to the Facilities any other Credit Facilities (as defined in the Intercreditor Agreement) or any Pari Passu Debt Liabilities);
- (b) spot and forward delivery foreign exchange contracts entered into in the ordinary course of business and not for speculative purposes; and
- (c) any Treasury Transaction entered into for the hedging of actual or projected real exposures arising in the ordinary course of trading activities of a member of the Group for a period of not more than 12 months and not for speculative purposes.

23.14 High Yield Note Documents

The Parent shall procure that none of the High Yield Note Documents and none of the Additional High Yield Note Documents and (following any High Yield Note Refinancing or Additional High Yield Note Refinancing) none of the documents or instruments relating to (or in respect of) any high yield notes issued pursuant to the High Yield Note Refinancing or Additional High Yield Note Refinancing (as the case may be) are amended, varied, novated, assigned, supplemented, superseded, waived or (other than in accordance with their terms) terminated in any respect without the prior written consent of the Agent (acting on, in the case of any amendment, variation, novation, assignment, supplement, supersession or waiver which relates to the manner of or mechanism for the release of the High Yield Note Guarantees (or equivalent in connection with any applicable High Yield Note Refinancing or Additional High Yield Note Refinancing) (or the circumstances in which such release is permitted), the instructions of all the Lenders and otherwise on the instructions of the Majority Lenders (acting reasonably)), save for any amendment, variation, novation, assignment, supplement, supersession or waiver which does not adversely affect the Security created under the Transaction Security Documents.

23.15 [Reserved]

23.16 Accounts

- (a) No Obligor shall, or allow any other member of the Group to, deposit any amount to any Pari Passu Facility Debt Service Reserve Account or Pari Passu Notes Interest Accrual Account (each as defined in the Intercreditor Agreement) other than amounts that would be customary for an account substantially of that nature or as required by any Pari Passu Lender or Pari Passu Noteholder pursuant to any Pari Passu Debt Document (each as defined in the Intercreditor Agreement) in line with market norms for substantially similar types of accounts.
- (b) In the event that any Pari Passu Facility Debt Service Reserve Account or Pari Passu Notes Interest Accrual Account does not secure the Liabilities of the Obligors under the Finance Documents to the Finance Parties and the Secured Obligations that were secured by such account have been fully and finally discharged, the relevant Obligor in whose name the account is held shall (or the Parent shall procure that the relevant member of the Group will) as soon as reasonably practicable:

- (i) deposit the amount standing to the credit of that account into an account subject to the Transaction Security securing the Liabilities of the Obligors under the Finance Documents to the Finance Parties and close that account; or
- (ii) grant, in favour of the Common Security Agent, Security over that account in respect of the Secured Obligations, *provided* that there shall be no restrictions on the withdrawals of any amount so deposited into any account subject to Security in accordance with paragraphs (i) or (ii) above and, subject to compliance with the other terms of the Finance Documents, there shall be no restrictions on the application of any such amount.

23.17 [Reserved]

23.18 Green Loan Provisions

- (a) The Borrower undertakes to, utilise, manage and track the proceeds of the Revolving Facility (Green) Loans of the Revolving Facility (Green) and any other transactions contemplated by the Finance Documents (to the extent applicable) in accordance with the Green Loan Principles.
- (b) The Borrower shall ensure that any requirement (including pursuant to any market or industry practice or regulatory requirement (as applicable)) shall be complied with if any member of the Group makes any announcement, publication, disclosure or communication which refers to all or any part of the proceeds of any Revolving Facility (Green) Loan or other transactions contemplated by the Finance Documents as a Revolving Facility (Green) Loan.
- (c) The Borrower shall notify the Agent as soon as reasonably practicable (and in any event within five (5) Business Days) after the occurrence (or the likely occurrence) of a Declassification Event under paragraph (c) or (d) of that definition.
- (d) Upon the occurrence of a Declassification Event:
 - (i) the Green Loan Coordinator (acting on the instructions of the Majority Lenders) shall notify the Borrower of any declassification pursuant to this Clause 23.18 or a Declassification Event (other than a Declassification Event pursuant to the Borrower's election); and
 - (ii) each outstanding Revolving Facility (Green) Loan shall, with immediate effect, be declassified as a green loan.
- (e) Following the occurrence of a Declassification Event in respect of the Revolving Facility (Green) and/or any Revolving Facility (Green) Loan:
 - (i) each Party shall (and the Borrower shall ensure that each member of the Group will) cease any further internal or external announcement, publication (including any public list or league table), disclosure, marketing or communication which refers to (x) any Revolving Facility (Green) Loan that is the subject of such Declassification Event as a "green loan" (or its equivalent), (y) if the Revolving Facility (Green) is subject to such Declassification Event, the Revolving Facility (Green) as a "green facility" (or its equivalent) or (z) any other transactions contemplated by the Finance Documents as a compliant with the Green Loan Principles; and
 - (ii) the Obligors shall use best efforts to update any previous internal or external announcement, publication (including any public list or league table), disclosure, marketing or communication which has or may have referred to the "green" status of the Revolving Facility (Green) and/or such Revolving Facility (Green) Loan.

For the avoidance of doubt, no Finance Party shall be required to update or correct any previous announcement, publication, disclosure or other communication which has or may have referred to the “green” status of the Revolving Facility (Green) and/or such Revolving Facility (Green) Loans which was true and accurate at the time of such publication.

- (f) For avoidance of doubt and notwithstanding anything to the contrary in this Agreement:
 - (i) a Declassification Event shall not constitute a Default or an Event of Default; and
 - (ii) the Borrower shall not bear any liability to the Finance Parties as a result of the occurrence of a Declassification Event.

24. Events of Default

Each of the events or circumstances set out in this Clause 24 (save for Clause 24.18 (*US bankruptcy of Obligors*) and Clause 24.19 (*Acceleration*)) is an Event of Default.

24.1 Non-payment

An Obligor or SCIH does not pay on the due date any amount payable pursuant to a Finance Document to which it is a party at the place at and in the currency in which it is expressed to be payable unless its failure to pay is caused by administrative or technical error or a Disruption Event and payment is made within three (3) Business Days of its due date.

24.1A Financial covenants

Any requirement of Clauses 22A (*Financial Covenants*) is not satisfied.

24.2 Breach of other undertakings

- (a) An Obligor or Grantor does not comply with any provision of the Finance Documents (other than those referred to in Clause 24.1 (*Non-payment*) or Clause 24.1A (*Financial covenants*) above) or SCIH does not comply with any provision of a Finance Document to which it is party.
- (b) No Event of Default under paragraph (a) above will occur by reason only of a failure by an Obligor to comply with Clause 22.13 (*Green Loan Information Undertaking*) or Clause 23.18 (*Green Loan Provisions*).
- (c) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of remedy and is remedied within 30 days of the Agent giving notice to the Borrower or relevant Obligor, Grantor or SCIH (as applicable) or the Borrower, an Obligor, a Grantor or SCIH becoming aware of the failure to comply.

24.3 Misrepresentation

- (a) Any representation or statement made or deemed to be made by an Obligor, Grantor or SCIH in the Finance Documents to which it is a party or any other document delivered by or on behalf of any Obligor or Grantor or by SCIH under or in connection with any Finance Document is or proves to have been incorrect or misleading when made or deemed to be made.
- (b) No Event of Default under paragraph (a) above will occur by reason only of a representation or statement made or deemed to be made by an Obligor under Clause 21.27 (*Green Loans*) being incorrect or misleading in any material respect when made or deemed to be made.

- (c) No Event of Default under paragraph (a) above will occur if the misrepresentation is capable of remedy and is remedied within 30 days of the Agent giving notice to the Borrower or relevant Obligor, Grantor or SCIH (as applicable) or the Borrower, an Obligor, a Grantor or SCIH becoming aware of the misrepresentation.

24.4 Cross default

- (a) Any Financial Indebtedness of any Obligor or other member of the Group or SCIH is not paid when due nor within any applicable grace period.
- (b) Any Financial Indebtedness of any Obligor or other member of the Group or SCIH is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
- (c) Any commitment for any Financial Indebtedness of any Obligor or other member of the Group or SCIH is cancelled or suspended by a creditor of any Obligor or other member of the Group or SCIH as a result of an event of default (however described).
- (d) Any creditor of any Obligor or other member of the Group or SCIH becomes entitled to declare any Financial Indebtedness (other than Intra-Group Liabilities) of any Obligor or other member of the Group or SCIH due and payable prior to its specified maturity as a result of an event of default (however described).
- (e) No Event of Default will occur under this Clause 24.4 if the aggregate amount of Financial Indebtedness or commitments for Financial Indebtedness falling within paragraphs (a) to (d) above is less than US\$15,000,000 (or its equivalent), **provided** that this paragraph (e) shall not apply in respect of any Financial Indebtedness or commitments for Financial Indebtedness under or in connection with the 2016 Credit Facility Agreement.

24.5 Insolvency

- (a) A Grantor, SCIH, an Obligor or other member of the Group is unable or admits inability to pay its debts as they fall due or is deemed or declared to be unable to pay its debts under applicable law or, by reason of actual or anticipated financial difficulties, suspends or threatens to suspend making payments on any of its debts or commences negotiations with one or more of its creditors generally (other than the Secured Parties (as defined in the Intercreditor Agreement) in such capacities) with a view to rescheduling any of its indebtedness.
- (b) The value of the assets of the Group (on a consolidated basis) is less than the liabilities of the Group (on a consolidated basis).
- (c) A moratorium is declared in respect of any indebtedness of any Grantor, SCIH, Obligor or other member of the Group. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium.

24.6 Insolvency proceedings

- (a) Any corporate action, legal proceedings or other procedure or formal step is taken in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or **reorganisation** (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Grantor, SCIH, Obligor or other member of the Group;

- (ii) a composition, compromise, assignment or arrangement with any creditor of any Grantor, SCIH, Obligor or other member of the Group;
- (iii) the appointment of a liquidator, receiver, administrative receiver, restructuring officer, administrator, compulsory manager or other similar officer in respect of any Grantor, SCIH, Obligor or other member of the Group or any of its assets (other than assets that are in any way part of a Joint Venture and which do not form part of, and are not otherwise necessary for the operation of, the Property); or
- (iv) enforcement of any Security over any assets (other than assets that are in any way part of a Joint Venture and which do not form part of, and are not otherwise necessary for the operation of, the Property) of any Grantor, SCIH, Obligor or other member of the Group,

or any analogous procedure or step is taken in any jurisdiction.

(b) Paragraph (a) and Clause 24.18 (*US bankruptcy of Obligors*) below shall not apply to:

- (i) any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised; or
- (ii) any voluntary action, proceedings, step or procedure which relates to or constitutes any action, proceedings, step or procedure taken in connection with a transaction regulated but not prohibited by Section 13 (*Merger, Consolidation, or Sale of Assets*) of Schedule 10 (*Covenants*) pursuant to Clause 23.1 (*Notes covenants*).

24.7 Creditors' process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Obligor or other member of the Group (other than assets that are in any way part of a Joint Venture and which do not form part of, and are not otherwise necessary for the operation of, the Property) having an aggregate value of at least US\$15,000,000 (or its equivalent) and is not discharged within (in the case of any process in a jurisdiction other than Macau SAR) 30 days and (in the case of any process in Macau SAR) 60 days.

24.8 Unlawfulness or invalidity of Finance Document

- (a) It is or becomes unlawful for a Grantor, SCIH, an Obligor or any other member of the Group to perform any of its obligations under the Finance Documents or any Transaction Security created or expressed to be created or evidenced by the Transaction Security Documents ceases to be effective or any subordination created under the Intercreditor Agreement is or becomes unlawful.
- (b) Any obligation or obligations of any Grantor, SCIH, any Obligor or any other member of the Group under any of the Finance Documents are not (subject to the Legal Reservations) or cease to be legal, valid, binding or enforceable.
- (c) Any Finance Document ceases to be in full force and effect or any Transaction Security or any subordination created or expressed to be created under the Intercreditor Agreement (including the subordination of any Sponsor Group Loans and any Intra- Group Liabilities) is not or ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than a Finance Party) to be ineffective.

24.9 [Reserved]

24.10 Permits

- (a) Any Obligor fails to observe, satisfy or perform, or there is a violation or breach of, any of the terms, provisions, agreements, covenants or conditions attaching to or under the issuance to such person of any Permit or any such Permit or any provision thereof is suspended, revoked, cancelled, terminated or materially and adversely modified or fails to be in full force and effect or any Governmental Authority challenges or seeks to revoke any such Permit if such failure to perform, violation, breach, suspension, revocation, cancellation, termination, modification, failure to be in full force and effect, challenge or seeking revocation would reasonably be expected to have a Material Adverse Effect.
- (b) For the avoidance of doubt, paragraph (a) above does not apply in relation to any Permit required solely in respect of a Joint Venture or which is otherwise not required for, and is not otherwise necessary for the operation of, the Property.

24.11 Cessation of business

Any Obligor or other member of the Group suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business and such event has or would reasonably be expected to have a Material Adverse Effect.

24.12 Expropriation

The authority or ability of any Obligor or other member of the Group to (other than in respect of any business solely related to any Joint Venture or assets that relate to or are in any way part of any Joint Venture and which do not form part of, and are not otherwise necessary for the operation of, the Property) conduct its business or enjoy the use of all or any material part of its assets is wholly or substantially limited or curtailed by any seizure, expropriation, nationalisation, intervention, restriction or other action (including as a result of any change in (or in the interpretation, administration or application of), or the introduction of, any Legal Requirement) by or on behalf of any Governmental Authority or other person in relation to any member of the Group or any of its assets and, in the case of any such seizure, expropriation, intervention, restriction or other action which is capable of remedy, such seizure, expropriation, intervention, restriction or other action or the effects thereof, are not remedied, removed or stayed within 45 days of the occurrence of such seizure, expropriation, intervention, restriction or other action.

24.13 Repudiation or rescission of Finance Documents

- (a) A Grantor, SCIH, an Obligor or other member of the Group (or any other relevant party) rescinds or purports to rescind or repudiates or purports to repudiate a Finance Document or any of the Transaction Security or evidences an intention to rescind or repudiate a Finance Document or any Transaction Security.
- (b) Any party to any of the other Transaction Documents rescinds or purports to rescind or repudiates or purports to repudiate any of those Transaction Documents in whole or in part where (other than in the case of the Amended Land Concession or Gaming Concession) to do so has or would, in the reasonable opinion of the Majority Lenders, have a Material Adverse Effect.

24.14 Litigation

Any litigation, arbitration, administrative, governmental, regulatory or other investigations or proceedings are commenced or threatened in relation to a Transaction Document or the transactions contemplated in a Transaction Document or against any Obligor or other member of the Group or its assets which has or would reasonably be expected to have a Material Adverse Effect, other than such litigation, arbitration, administrative, governmental, regulatory or other investigations or proceedings which are frivolous or vexatious (and, in the case of any such proceedings commenced in any jurisdiction other than Macau SAR, which are discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised).

24.15 Material adverse change

Any event or circumstance occurs which has or is reasonably likely to have a Material Adverse Effect.

24.16 Services and Right to Use Agreement

- (a) Melco Resorts Macau suspends performance of its obligations under each of the Services and Right to Use Agreement and the Reimbursement Agreement for more than 7 days.
- (b) The Services and Right to Use Agreement or the Reimbursement Agreement is terminated, becomes invalid or illegal or otherwise ceases to be in full force and effect prior to its stated termination.

24.17 Melco Resorts Macau notification

Melco Resorts Macau notifies any Secured Party in writing of its intention to terminate the Services and Right to Use Agreement (whether or not any such notification has any effect on the “Funding Date” definition of the Services and Right to Use Agreement).

24.18 US bankruptcy of Obligors

Notwithstanding Clause 24.19 (*Acceleration*), if any Obligor commences a voluntary case concerning itself under the US Bankruptcy Code, or an involuntary case is commenced under the US Bankruptcy Code against any Obligor and the petition is not dismissed or stayed within forty five (45) days after commencement of the case, or a custodian (as defined in the US Bankruptcy Code) is appointed for, or takes charge of, all or substantially all of the property of any Obligor, or any order of relief or other order approving any such case or proceeding is entered, each Facility shall cease to be available to such Obligor, all obligations of such Obligor under Clause 20 (*Guarantee and indemnity*) or any other provision of this Agreement or any other Finance Document to which such Obligor is a party shall become immediately due and payable and such Obligor shall be required to provide cash cover for the full amount of each letter of credit issued for its account, in each case automatically and without any further action by any Party.

24.19 Acceleration

On and at any time after the occurrence of an Event of Default which is continuing the Agent may, and shall if so directed by the Majority Lenders, by notice to the Borrower:

- (a) cancel the Total Commitments, whereupon they shall immediately be cancelled;
- (b) declare that all or part of the Utilisations, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable;
- (c) declare that all or part of the Utilisations be payable on demand, whereupon they shall immediately become payable on demand by the Agent on the instructions of the Majority Lenders;

- (d) notify the Intercreditor Agent that an Event of Default has occurred and continuing and instruct the Intercreditor Agent or the Common Security Agent (through the Intercreditor Agent) to issue one or more Enforcement Notices; and/or
- (e) exercise or direct the Intercreditor Agent or the Common Security Agent (through the Intercreditor Agent) to exercise any or all of its rights, remedies, powers or discretions under any of the Finance Documents and/or the High Yield Note Documents and/or (if the High Yield Note Refinancing has occurred) any document or instrument in respect of the high yield notes issued pursuant to the High Yield Note Refinancing and/or any document or instrument in respect of the high yield notes issued pursuant to the Additional High Yield Notes and/or (if the Additional High Yield Note Refinancing has occurred) pursuant to the Additional High Yield Note Refinancing (in each case, including, following the issue of an Enforcement Notice, any such rights, remedies, powers or discretions which first require the issue of such a notice).

**SECTION 9
CHANGES TO PARTIES**

25. Changes to the Lenders

25.1 Assignments and transfers by the Lenders

Subject to this Clause 25 and to Clause 26 (*Restriction on Debt Purchase Transactions*), a Lender (the “**Existing Lender**”) may:

- (a) assign any of its rights; or
- (b) transfer by novation any of its rights and obligations,

under any Finance Document to a Permitted Transferee (in each case, the “**New Lender**”).

25.2 Conditions of assignment or transfer

- (a) Any Transfer by an Existing Lender of all or any part of its Commitment must:
 - (i) subject to paragraph (b) below, not be made or entered into without the prior written consent of the Borrower (such consent not to be unreasonably withheld or delayed); and
 - (ii) if the Transfer is only of part of (instead of all of) an Existing Lender’s participation in respect of the Facilities, immediately after such the Transfer:
 - (A) the amount of that Existing Lender’s remaining Commitments (when aggregated with its Affiliates’ and Related Funds’ Commitments) is at least a minimum amount of HK\$40,000,000; and
 - (B) the amount of that New Lender’s Commitments (when aggregated with its Affiliates’ and Related Funds’ Commitments) is at least a minimum amount of HK\$40,000,000.
- (b) Notwithstanding paragraph (a)(i) above (and, for the avoidance of doubt, subject to paragraphs (a)(ii) above), a Transfer entered into in respect of any Commitment or amount outstanding under this Agreement shall not require the prior written consent of the Borrower pursuant to paragraph (a)(i) above if:
 - (i) the Transfer is to another Lender or an Affiliate of a Lender;
 - (ii) if the Existing Lender is a fund, the Transfer is to, or the sub-participation is with, a fund which is a Related Fund of that Existing Lender;
 - (iii) an Event of Default has occurred and is continuing; or
 - (iv) the Transfer is of a Participation which is not a Voting Participation.
- (c) The Borrower shall be deemed to have provided its written consent in accordance with paragraph (a) above if it has not responded to the relevant Existing Lender’s request for such Transfer within 10 Business Days of such request having been made.
- (d) A Transfer entered into in respect of any Commitment or amount outstanding under this Agreement shall in no circumstances (including pursuant to paragraph (b) above) be made to a Conflicted Lender without the prior written consent of the Borrower (in its sole discretion). If requested to do so by a Lender, the Borrower shall as soon as reasonably practicable (but allowing a reasonable period of time for the Borrower to satisfy itself) confirm to that Lender whether or not a potential New Lender identified to the Borrower is a Conflicted Lender.

- (e) An assignment will only be effective if the procedure set out in Clause 25.6 (*Procedure for assignment*) is complied with and will only be effective on:
- (i) receipt by the Agent (whether in the Assignment Agreement and Lender Accession Undertaking or otherwise) of written confirmation from the New Lender (in form and substance satisfactory to the Agent) that the New Lender will assume the same obligations to the other Finance Parties and the other Secured Parties as it would have been under if it was an Original Lender;
 - (ii) the New Lender entering into the documentation required for it to accede as a party to the Intercreditor Agreement; and
 - (iii) performance by the Agent of all necessary “know your customer” or other similar checks under all applicable laws and regulations in relation to such assignment to a New Lender, the completion of which the Agent shall promptly notify to the Existing Lender and the New Lender.
- (f) A transfer will only be effective if the procedure set out in Clause 25.5 (*Procedure for transfer*) is complied with and the New Lender enters into the documentation required for it to accede as a party to the Intercreditor Agreement.
- (g) An Existing Lender may not assign or transfer any or all of its rights or obligations under the Finance Documents or change its Facility Office if such assignment or transfer would give rise to a requirement to prepay any Loan (or any part thereof) or cancel any Commitment (or any part thereof) pursuant to Clause 8.1 (*Illegality*) in relation to the New Lender or such Existing Lender acting through the new Facility Office.
- (h) If:
- (i) a Lender assigns or transfers any of its rights or obligations under the Finance Documents or changes its Facility Office; and
 - (ii) as a result of circumstances existing at the date the assignment, transfer or change occurs, an Obligor would be obliged to make a payment to the New Lender or Lender acting through its new Facility Office under Clause 15 (*Tax gross-up and indemnities*) or Clause 16 (*Increased Costs*),
- then the New Lender or Lender acting through its new Facility Office is only entitled to receive payment under those Clauses to the same extent as the Existing Lender or Lender acting through its previous Facility Office would have been if the assignment, transfer or change had not occurred.
- (i) A New Lender shall be bound by any consent, waiver, election or decision given or made by the relevant Existing Lender under or pursuant to any Finance Document prior to the coming into effect of the relevant assignment or transfer to such New Lender. Each New Lender, by executing the relevant Transfer Certificate or Assignment Agreement and Lender Accession Undertaking, confirms, for the avoidance of doubt, that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the transfer or assignment becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Lender would have been had it remained a Lender.

- (j) If an Existing Lender assigns or transfers any of its rights or obligations under the Finance Documents to a New Lender, (A) such Existing Lender shall (unless agreed with such New Lender) bear its own fees, costs and expenses in connection with, or resulting from, such assignment or transfer (including any legal fees, taxes, notarial and security registration or perfection fees) and (B) no Obligor or any member of the Group will be required to pay to or for the account of such New Lender, or reimburse or indemnify such New Lender for, any fees, costs, Taxes, expenses, indemnity payments, Tax Payments, Increased Costs or other payments under a Finance Document in excess of what that Obligor would have been required to pay to such Existing Lender immediately prior to such transfer or assignment being effected, *provided that*, notwithstanding the foregoing:
- (i) the Borrower shall pay such New Lender in full any amount expressed to be payable by it to such New Lender under Clause 19.4 (*Enforcement and preservation costs*); and
- (ii) in respect of costs, fees and expenses only, the amount thereof payable or reimbursable shall be calculated by reference to the amount of such costs, fees and expenses which such Obligor is able to demonstrate it would have been required to pay to such Existing Lender immediately prior to such transfer or assignment being effected.
- (k) The Agent shall, promptly upon request from the Borrower, provide to the Borrower information in reasonable detail regarding the identities and participations of each of the Lenders.
- (l) An Existing Lender will enter into a Confidentiality Undertaking with any potential New Lender (that is not already a Lender) prior to providing such New Lender with any information about the Finance Documents or the Group. This Confidentiality Undertaking may be amended, if necessary, to ensure that it is capable of being relied upon by the Borrower without requiring its signature, and may not be materially amended without the consent of the Borrower. A copy of that Confidentiality Undertaking must be provided to the Borrower promptly after being entered into.

25.3 Assignment or transfer fee

Unless the Agent otherwise agrees and excluding an assignment or transfer (i) to an Affiliate of a Lender or (ii) to a Related Fund, the New Lender shall, on the date upon which an assignment, transfer or accession takes effect, pay to the Agent (for its own account) a fee of US\$3,500 in respect of any New Lender.

25.4 Limitation of responsibility of Existing Lenders

- (a) Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:
- (i) the legality, validity, effectiveness, adequacy or enforceability of the Transaction Documents, the Transaction Security or any other documents;
- (ii) the financial condition or other circumstances of the Site or the Phase II Project, any Obligor or any other person;
- (iii) the performance and observance by any Obligor or any other person of its obligations under the Transaction Documents or any other documents; or
- (iv) the accuracy of any statements (whether written or oral) made in or in connection with any Transaction Document or any other document,
- and any representations or warranties implied by law are excluded.

- (b) Each New Lender confirms to the Existing Lender, the other Finance Parties and the Secured Parties that it:
 - (i) has made (and shall continue to make) its own independent investigation and assessment of the financial and other condition, circumstances and affairs of the Site and the Phase II Project, each Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender or any other Finance Party in connection with any Transaction Document or the Transaction Security; and
 - (ii) will continue to make its own independent appraisal of the creditworthiness of each Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.
- (c) Nothing in any Finance Document obliges an Existing Lender to:
 - (i) accept a re-transfer or re-assignment from a New Lender of any of the rights and obligations assigned or transferred under this Clause 25; or
 - (ii) support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by any Obligor of its obligations under the Transaction Documents or otherwise.

25.5 Procedure for transfer

- (a) Subject to the conditions set out in Clause 25.2 (*Conditions of assignment or transfer*) a transfer is effected in accordance with paragraph (c) below when the Agent executes an otherwise duly completed Transfer Certificate delivered to it by the Existing Lender and the New Lender. The Agent shall, subject to paragraph (b) below, as soon as reasonably practicable after receipt by it of a duly completed Transfer Certificate appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Transfer Certificate.
- (b) The Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New Lender once it is satisfied it has complied with all necessary “know your customer” or other similar other checks under all applicable laws and regulations in relation to the transfer to such New Lender.
- (c) On the Transfer Date:
 - (i) to the extent that in the Transfer Certificate the Existing Lender seeks to transfer by novation its rights and obligations under the Finance Documents and in respect of the Transaction Security, each of the Obligors and the Existing Lender shall be released from further obligations towards one another under the Finance Documents and in respect of the Transaction Security and their respective rights against one another under the Finance Documents and in respect of the Transaction Security shall be cancelled (being the “**Discharged Rights and Obligations**”);
 - (ii) each of the Obligors and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Obligor or other member of the Group and the New Lender have assumed and/or acquired the same in place of that Obligor and the Existing Lender;

- (iii) the Agent, the Common Security Agent, the POA Agent, the Green Loan Coordinator, the New Lender and the other Lenders shall acquire the same rights and assume the same obligations between themselves and in respect of the Transaction Security as they would have acquired and assumed had the New Lender been an Original Lender with the rights, and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Agent, the Common Security Agent, the POA Agent, the Green Loan Coordinator and the Existing Lender shall each be released from further obligations to each other under the Finance Documents; and
- (iv) the New Lender shall become a Party as a “Lender”.

25.6 Procedure for assignment

- (a) Subject to the conditions set out in Clause 25.2 (*Conditions of assignment or transfer*) an assignment may be effected in accordance with paragraph (c) below when the Agent executes an otherwise duly completed Assignment Agreement and Lender Accession Undertaking delivered to it by the Existing Lender and the New Lender. The Agent shall, subject to paragraph (d) below, as soon as reasonably practicable after receipt by it of a duly completed Assignment Agreement and Lender Accession Undertaking appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Assignment Agreement and Lender Accession Undertaking.
- (b) The Agent shall only be obliged to execute an Assignment Agreement and Lender Accession Undertaking delivered to it by the Existing Lender and the New Lender upon its completion of all “know your customer” or other checks relating to any person that it is required to carry out in relation to the assignment to such New Lender.
- (c) On the Transfer Date:
 - (i) the Existing Lender will assign absolutely to the New Lender its rights under the Finance Documents and in respect of the Transaction Security expressed to be the subject of the assignment in the Assignment Agreement and Lender Accession Undertaking;
 - (ii) the Existing Lender will be released from the obligations (the “**Relevant Obligations**”) expressed to be the subject of the release in the Assignment Agreement and Lender Accession Undertaking (and any corresponding obligations by which it is bound in respect of the Transaction Security); and
 - (iii) the New Lender shall become a Party as a “Lender” and will be bound by obligations equivalent to the Relevant Obligations.
- (d) Lenders may utilise procedures other than those set out in this Clause 25.6 to assign their rights under the Finance Documents, *provided that* they comply with the conditions set out in Clause 25.2 (*Conditions of assignment or transfer*).
- (e) The procedure set out in this Clause 25.6 shall not apply to any right or obligation under any Finance Document (other than this Agreement) if and to the extent its terms, or any laws or regulations applicable thereto, provide for or require a different means of assignment of such right or release or assumption of such obligation or prohibit or restrict any assignment of such right or release or assumption of such obligation, unless such prohibition or restriction shall not be applicable to the relevant assignment, release or assumption or each condition of any applicable restriction shall have been satisfied.

25.7 Copy of assignments, transfer and accession documents to the Borrower and Parent

The Agent shall, as soon as reasonably practicable after it has executed a Transfer Certificate, an Assignment Agreement and Lender Accession Undertaking, an Increase Confirmation, an Incremental Facility Increase Notice or an Incremental Facility Increase Lender Accession Deed, send to the Borrower and the Parent a copy of that Transfer Certificate, Assignment Agreement and Lender Accession Undertaking, Increase Confirmation, Incremental Facility Increase Notice or Incremental Facility Increase Lender Accession Deed.

25.7A Accession of Incremental Facility Increase Lender

Any person which provides Incremental Facility Increase Commitments (and is not, at such time, a Lender) shall become a party to the Intercreditor Agreement as a “Credit Facility Lender” and shall, at the same time, become a Party to this Agreement as a Lender, by executing an Incremental Facility Increase Notice.

25.8 Security interests over Lenders’ rights

In addition to the other rights provided to Lenders under this Clause 25, each Lender may without consulting with or obtaining consent from any Obligor, at any time charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Lender including, without limitation:

- (a) any charge, assignment or other Security to secure obligations to a federal reserve or central bank; and
- (b) in the case of any Lender which is a fund, any charge, assignment or other Security granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Lender as security for those obligations or securities,

except that no such charge, assignment or other Security shall:

- (i) release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or other Security for the Lender as a party to any of the Finance Documents; or
- (ii) require any payments to be made by an Obligor or grant to any person any more extensive rights than those required to be made or granted to the relevant Lender under the Finance Documents.

25.9 Exclusion of Agent’s liability

In relation to any assignment or transfer pursuant to this Clause 25, each Party acknowledges and agrees that the Agent shall not be obliged to enquire as to the accuracy of any representation or warranty made by a New Lender in respect of its eligibility as a Lender.

26. Restriction on Debt Purchase Transactions

26.1 Prohibition on Debt Purchase Transactions by the Group

The Parent and Borrower shall not and shall procure that each other member of the Group shall not may (i) enter into any Debt Purchase Transaction or (ii) beneficially own all or any part of the share capital of a company that is a Lender or a party to a Debt Purchase Transaction of the type referred to in paragraphs (b) or (c) of the definition of “Debt Purchase Transaction”.

26.2 Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates

- (a) For so long as a Sponsor Affiliate:

- (i) beneficially owns a Commitment; or
- (ii) has entered into a sub-participation agreement relating to a Commitment or other agreement or arrangement having a substantially similar economic effect and such agreement or arrangement has not been terminated,

in ascertaining:

- (A) the Majority Lenders; or
 - (B) whether:
 - (1) any given percentage (other than in relation to decisions requiring the consent of all of the Lenders) of the Total Commitments; or
 - (2) the agreement of any specified group of Lenders (other than in relation to decisions requiring the consent of all of the Lenders),
- has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents,

such Commitment shall be deemed to be zero and such Sponsor Affiliate or the person with whom it has entered into such sub-participation, other agreement or arrangement shall be deemed not to be a Lender for the purposes of paragraphs (A) and (B) above (unless in the case of a person not being a Sponsor Affiliate it is a Lender by virtue otherwise than by beneficially owning the relevant Commitment), *provided that* such consent, waiver, amendment or other vote is not materially detrimental (in comparison to the other Lenders) to the rights and/or interests of that Sponsor Affiliate solely in its capacity as a Lender (and, for the avoidance of doubt, excluding its interests as a holder of equity in the Borrower (whether directly or indirectly)), and each Sponsor Affiliate upon becoming a Party expressly agrees and acknowledges that the operation of this Clause 26.2 shall not of itself be so detrimental to it in comparison to the other Lenders or otherwise; and

- (b) Each Lender shall, unless such Debt Purchase Transaction is an assignment or transfer, promptly notify the Agent in writing if it knowingly enters into a Debt Purchase Transaction with a Sponsor Affiliate (a “**Notifiable Debt Purchase Transaction**”), such notification to be substantially in the form set out in Part 1 of Schedule 8 (*Forms of Notifiable Debt Purchase Transaction Notice*). A Lender shall promptly notify the Agent if a Notifiable Debt Purchase Transaction to which it is a party:

- (i) is terminated; or
- (ii) ceases to be with a Sponsor Affiliate,

such notification to be substantially in the form set out in Part 2 of Schedule 8 (*Forms of Notifiable Debt Purchase Transaction Notice*)).

- (c) Each Sponsor Affiliate that is a Lender agrees that:

- (i) in relation to any meeting or conference call to which all the Lenders are invited to attend or participate, it shall not attend or participate in the same if so requested by the Agent or, unless the Agent otherwise agrees, be entitled to receive the agenda or any minutes of the same; and

- (ii) in its capacity as Lender, unless the Agent otherwise agrees, it shall not be entitled to receive any report or other document prepared at the behest of, or on the instructions of, the Agent or one or more of the Lenders,
- in each case, unless the Agent otherwise agrees or it relates to matters in which the Sponsor Affiliate is entitled to vote in accordance with this Clause 26.

27. Changes to the Obligors

27.1 Assignment and transfers by Obligors

No Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

27.2 Additional Guarantors

- (a) Subject to compliance with the provisions of paragraphs (c) and (d) of Clause 22.10 (“*Know your customer*” checks), the Borrower may request that any of its wholly owned Subsidiaries become an Additional Guarantor.
- (b) The Borrower shall procure that any other member of the Group shall, as soon as possible after becoming a member of the Group, become an Additional Guarantor and grant such Security as the Agent may require.
- (c) A member of the Group shall become an Additional Guarantor if:
 - (i) the Borrower and the proposed Additional Guarantor deliver to the Agent a duly completed and executed Accession Letter; and
 - (ii) the Agent has received all of the documents and other evidence listed in Part 2 of Schedule 2 (*Conditions Precedent*) in relation to that Additional Guarantor, each in form and substance satisfactory to the Agent.
- (d) The Agent shall notify the Borrower and the Lenders promptly upon being satisfied that it has received (in form and substance satisfactory to it) all the documents and other evidence listed in Part 2 of Schedule 2 (*Conditions Precedent*).
- (e) The Lenders authorise the Agent to give the notification described in paragraph (d) above. The Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

27.3 Repetition of representations

Delivery of an Accession Letter constitutes confirmation by the relevant Subsidiary that the representations and warranties referred to in paragraph (d) of Clause 21.1 (*Times when representations made*) are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

27.4 Resignation of a Guarantor

- (a) The Borrower may request that a Guarantor (other than the Parent or the Borrower) ceases to be a Guarantor by delivering to the Agent a Resignation Letter if:
 - (i) that Guarantor is being (or shares or equity interests in that Guarantor are being) disposed of (directly or indirectly) by way of a sale or disposal or reorganisation where such sale or disposal or reorganisation is expressly permitted under this Agreement or any other Finance Document in circumstances where that Guarantor ceases to be a member of the Group, and the Borrower has confirmed to the Agent and the Intercreditor Agent that this is the case; or

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- (ii) the Lenders have consented to the resignation of that Guarantor.
 - (b) Subject to clause 25.17 (*Resignation of a Debtor*) of the Intercreditor Agreement, the Agent shall accept a Resignation Letter and notify the Borrower and the Lenders of its acceptance if:
 - (i) no Event of Default is continuing or would result from that Guarantor ceasing to be a Guarantor (and the Borrower has confirmed to the Agent and the Intercreditor Agent that this is the case); and
 - (ii) no payment is due from that Guarantor under Clause 20.1 (*Guarantee and indemnity*).
 - (c) Subject to paragraph (d) below, upon notification by the agent to the Borrower and the Lender of its acceptance of the resignation of the Guarantor, that entity shall cease to be a Guarantor and shall have no further rights or obligations under the Finance Documents as a Guarantor.
 - (d) The resignation of that Guarantor shall not be effective until the date of the relevant sale or disposal or reorganisation.

SECTION 10
THE FINANCE PARTIES

28. Role of the Agent and others

28.1 Appointment of the Agent

- (a) Each of the Lenders appoints the Agent to act as its agent under and in connection with the Finance Documents.
- (b) Each of the Lenders authorises the Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

28.2 Instructions

- (a) The Agent shall:
 - (i) unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Agent in accordance with any instructions given to it by all Lenders if the relevant Finance Document stipulates the matter is an all Lender decision and, otherwise, the Majority Lenders; and
 - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (i) above.
- (b) The Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if applicable, the Lenders) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Agent may refrain from acting unless and until it receives those instructions or that clarification.
- (c) Unless a contrary indication appears in a Finance Document, any instructions given to the Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties save for the Common Security Agent, the POA Agent and the Green Loan Coordinator.
- (d) The Agent may refrain from acting in accordance with any instructions of any Lender (or group of Lenders) until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability which it may incur in complying with those instructions.
- (e) In the absence of instructions, the Agent may act (or refrain from acting) as it considers to be in the best interest of the Lenders.
- (f) The Agent is not authorised to act on behalf of a Lender (without first obtaining that Lender's consent) in any legal or arbitration proceedings relating to any Finance Document. This paragraph (f) shall not apply to any legal or arbitration proceeding relating to the perfection, preservation or protection of rights under the Transaction Security Documents or enforcement of the Transaction Security or Transaction Security Documents.

28.3 Duties of the Agent

- (a) The Agent's duties under the Finance Documents are solely mechanical and administrative in nature. The Agent shall have no duties save as expressly provided under or in connection with any Finance Document.
- (b) Subject to paragraph (c) below, the Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Agent for that Party by any other Party.
- (c) Without prejudice to Clause 25.7 (*Copy of assignments, transfer and accession documents to the Borrower and Parent*), paragraph (b) above shall not apply to any Transfer Certificate, any Assignment Agreement and Lender Accession Undertaking or any Increase Confirmation.
- (d) Except where a Finance Document specifically provides otherwise, the Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
- (e) If the Agent receives notice from a Party referring to this Agreement, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties.
- (f) If the Agent is aware of the non-payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Agent, the Common Security Agent, the POA Agent or the Green Loan Coordinator) under this Agreement it shall promptly notify the other Finance Parties.
- (g) The Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).
- (h) The Agent shall provide to the Borrower promptly upon request by the Borrower (but no more frequently than once in any three month period), a list (which may be in electronic form) setting out the names of the Lenders as at the date of that request, their respective Commitments, the address and fax number (and the department or officer, if any, for whose attention any communication is to be made) of each Lender for any communication to be made or document to be delivered under or in connection with the Finance Documents, the electronic mail address and/or any other information required to enable the sending and receipt of information by electronic mail or other electronic means to and by each Lender to whom any communication under or in connection with the Finance Documents may be made by that means and the account details of each Lender for any payment to be distributed by the Agent to that Lender under the Finance Documents.

28.4 No fiduciary duties

- (a) Nothing in any Finance Document constitutes the Agent or the Green Loan Coordinator as a trustee or fiduciary of any other person.
- (b) Neither the Agent nor the Green Loan Coordinator shall be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account.

28.5 Business with the Group

The Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with any member of the Group.

28.6 Rights and discretions

- (a) The Agent may:
 - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised and shall have no duty to verify any signature on any document;
 - (ii) assume that:
 - (A) any instructions received by it from the Majority Lenders, any Lenders or any group of Lenders are duly given in accordance with the terms of the Finance Documents; and
 - (B) unless it has received notice of revocation, that those instructions have not been revoked;
 - (iii) rely on a certificate from any person:
 - (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
 - (B) to the effect that such person approves of any particular dealing, transaction, step, action or thing, as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate; and
 - (iv) rely on any statement made or purportedly made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify.
- (b) The Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Lenders) that:
 - (i) no Default has occurred (unless it has actual knowledge of a Default arising under Clause 24 (*Events of Default*));
 - (ii) any right, power, authority or discretion vested in any Party or the Majority Lenders or any group of Lenders has not been exercised;
 - (iii) any notice or request made by the Borrower (other than a Utilisation Request) is made on behalf of and with the consent and knowledge of all the Obligors; and
 - (iv) no Notifiable Debt Purchase Transaction:
 - (A) has been entered into;
 - (B) has been terminated; or
 - (C) has ceased to be with a Sponsor Affiliate.
- (c) The Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

- (d) Without prejudice to the generality of paragraph (c) above, the Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Agent (and so separate from any lawyers instructed by the Lenders) if the Agent in its reasonable opinion deems this to be desirable.
- (e) The Agent may act in relation to the Finance Documents through its officers, employees and agents and the Agent shall not:
 - (i) be liable for any error of judgment made by any such person; or
 - (ii) be bound to supervise, or be in any way responsible for, any loss incurred by reason of misconduct, omission or default on the part of any such person,unless such error or such loss was directly caused by the Agent's gross negligence or wilful misconduct.
- (f) Unless a Finance Document expressly provides otherwise, the Agent may disclose to any other Party any information it reasonably believes it has received as agent under this Agreement.
- (g) Without prejudice to the generality of paragraph (f) above, the Agent:
 - (i) may disclose; and
 - (ii) on the written request of the Borrower or the Majority Lenders shall, as soon as reasonably practicable, disclose, the identity of a Defaulting Lender to the Borrower and the other Finance Parties.
- (h) Notwithstanding any other provision of any Finance Document to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- (i) Notwithstanding any other provision of any Finance Document to the contrary, the Agent may not disclose to any Finance Party any details of the rate notified to the Agent by any Lender or the identity of any such Lender for the purpose of paragraph (a)(ii) of Clause 13.2 (*Market disruption*).
- (j) Notwithstanding any provision of any Finance Document to the contrary, the Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

28.7 Responsibility for documentation

Neither the Agent nor the Green Loan Coordinator is and shall be responsible for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Agent, the Green Loan Coordinator, an Obligor or any other person given in or in connection with any Finance Document or the transactions contemplated in the Finance Documents or the transactions contemplated in the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or the Transaction Security or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Transaction Security;

- (c) any determination as to whether any information provided or to be provided to any Finance Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise; or
- (d) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by any member of the Group or any other person in or in connection with any green loan provision of this Agreement or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with the Revolving Facility (Green).

28.8 No duty to monitor

- (a) The Agent shall not be bound to enquire:
 - (i) whether or not any Default has occurred;
 - (ii) as to the performance, default or any breach by any Party of its obligations under any Finance Document; or
 - (iii) whether any other event specified in any Finance Document has occurred.

28.9 Exclusion of liability

- (a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Agent), the Agent will not be liable (including, without limitation, for negligence or any other category of liability whatsoever) for:
 - (i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Finance Document or the Transaction Security, unless directly caused by its gross negligence or wilful misconduct;
 - (ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Finance Document, the Transaction Security or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Finance Document or the Transaction Security; or
 - (iii) without prejudice to the generality of paragraphs (i) and (ii) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of:
 - (A) any act, event or circumstance not reasonably within its control; or
 - (B) the general risks of investment in, or the holding of assets in, any jurisdiction,including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

- (b) No Party (other than the Agent) may take any proceedings against any officer, employee or agent of the Agent in respect of any claim it might have against the Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document or any Transaction Document and any officer, employee or agent of the Agent may rely on this Clause subject to Clause 1.3 (*Third party rights*) and the provisions of the Third Parties Act.
- (c) The Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Agent if the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- (d) Nothing in this Agreement shall oblige the Agent to carry out (i) any “know your customer” or other checks in relation to any person or (ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Lender, on behalf of any Lender and each Lender confirms to the Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agent.
- (e) Without prejudice to any provision of any Finance Document excluding or limiting the Agent’s liability, any liability of the Agent arising under or in connection with any Finance Document or the Transaction Security shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Agent at any time which increase the amount of that loss. In no event shall the Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Agent has been advised of the possibility of such loss or damages.
- (f) Neither the Agent, the Finance Parties nor the Green Loan Coordinator is bound to monitor or verify the application of any amount borrowed pursuant to this Agreement, including, without limitation, the monitoring of and/or verifying compliance with the Green Loan Principles.
- (g) Neither the Agent, the Finance Parties nor the Green Loan Coordinator is acting in an advisory capacity to any person in respect of the Green Loan Principles nor will the Agent, the Finance Parties or the Green Loan Coordinator be obliged to verify or monitor whether the Revolving Facility (Green) will comply with the Green Loan Principles on behalf of any of the Finance Parties, and each Finance Party is solely responsible at all times for making its own independent appraisal of, and analysis in relation to, the Eligible Green Assets and/or each green loan provision of this Agreement.
- (h) The Green Loan Coordinator will not be liable for any action taken or not taken by it under or in connection with any Finance Document in such capacity, unless directly caused by its gross negligence or wilful misconduct.
- (i) No Party may take any proceedings against any officer, employee or agent of the Green Loan Coordinator in respect of any claim it might have against the Green Loan Coordinator or in respect of any act or omission of any kind by that officer, employee or agent in connection with the Revolving Facility (Green).

28.10 Lenders' indemnity to the Agent

- (a) Each Lender shall (in the proportion that the Liabilities due to it bear to the aggregate of the Liabilities due to all the Lenders for the time being (or, if the Liabilities due to the Lenders are zero, immediately prior to their being reduced to zero)), indemnify the Agent, within three (3) Business Days of demand, against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Agent (otherwise than by reason of the Agent's gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to Clause 31.11 (*Disruption to payment systems, etc.*)), notwithstanding the Agent's negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) in acting as Agent under the Finance Documents (unless the Agent has been reimbursed by an Obligor pursuant to a Finance Document).
- (b) If the Borrower is required to reimburse or indemnify any Lender for any payment that Lender makes to the Agent pursuant to paragraph (a) above in accordance with the Finance Documents, the Borrower shall, within 10 Business Days of demand in writing by the relevant Lender, indemnify such Lender for the amount of such payment actually made pursuant to paragraph (a) above.
- (c) Paragraph (b) above shall not apply to the extent that the indemnity payment in respect of which the Lender claims reimbursement relates to a liability of the Agent to an Obligor.

28.11 Resignation of the Agent

- (a) The Agent may resign and appoint one of its Affiliates acting through an office in Hong Kong SAR or Macau SAR as successor by giving notice to the Lenders and the Borrower.
- (b) Alternatively the Agent may resign by giving notice to the Lenders and the Borrower, in which case the Majority Lenders (after consultation with the Borrower) may appoint a successor Agent.
- (c) If the Majority Lenders have not appointed a successor Agent in accordance with paragraph (b) above within 30 days after notice of resignation was given, the Agent (after consultation with the Borrower) may appoint a successor Agent (acting through an office in Hong Kong SAR or Macau SAR).
- (d) If the Agent wishes to resign because (acting reasonably) it has concluded that it is no longer appropriate for it to remain as agent and the Agent is entitled to appoint a successor Agent under paragraph (c) above, the Agent may (if it concludes (acting reasonably) that it is necessary to do so in order to persuade the proposed successor Agent to become a party to this Agreement as Agent) agree with the proposed successor Agent amendments to this Clause 28 and any other term of this Agreement dealing with the rights or obligations of the Agent consistent with then current market practice for the appointment and protection of corporate trustees.
- (e) The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- (f) The Agent's resignation notice shall only take effect upon the appointment of a successor in accordance with the Finance Documents (including such successor's accession to the Intercreditor Agreement in the capacity as Agent).

- (g) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (e) above) but shall remain entitled to the benefit of Clause 17.3 (*Indemnity to the Agent*) and this Clause 28 (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date). Its successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.
- (h) The Agent shall resign in accordance with paragraph (b) above (and, to the extent applicable, shall use reasonable endeavours to appoint a successor Agent pursuant to paragraph (b) above) if on or after the date which is three months before the earliest FATCA Application Date relating to any payment to the Agent under the Finance Documents, either:
- (i) the Agent fails to respond to a request under Clause 15.8 (*FATCA Information*) and the Borrower or a Lender reasonably believes that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;
 - (ii) the information supplied by the Agent pursuant to Clause 15.8 (*FATCA Information*) indicates that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date; or
 - (iii) the Agent notifies the Borrower and the Lenders that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;
- and (in each case) the Borrower or a Lender reasonably believes that a Party will be required to make a FATCA Deduction that would not be required if the Agent were a FATCA Exempt Party, and the Borrower or that Lender, by notice to the Agent, requires it to resign.

28.12 Replacement of the Agent

- (a) After consultation with the Borrower, the Majority Lenders may, by giving 30 days' notice to the Agent (or, at any time the Agent is an Impaired Agent, by giving any shorter notice determined by the Majority Lenders) replace the Agent by appointing a successor Agent (acting through an office in Hong Kong SAR or Macau SAR).
- (b) The retiring Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Lenders) make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- (c) The appointment of the successor Agent shall take effect on the date specified in the notice from the Majority Lenders to the retiring Agent (or, if later, on its accession to the Intercreditor Agreement in the capacity as Agent). As from this date, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (b) above) but shall remain entitled to the benefit of Clause 17.3 (*Indemnity to the Agent*) and this Clause 28 (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date).
- (d) Any successor Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

28.13 Confidentiality

- (a) In acting as agent for the Finance Parties, the Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by another division or department of the Agent, it may be treated as confidential to that division or department and the Agent shall not be deemed to have notice of it.
- (c) Notwithstanding any other provision of any Finance Document to the contrary, the Agent shall not be obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would or might in its reasonable opinion constitute a breach of any law or a breach of a fiduciary duty.
- (d) The Agent shall not be obliged to disclose to any Finance Party any information supplied to it by the Borrower or any Affiliates of the Borrower on a confidential basis and for the purpose of evaluating whether any waiver or amendment is or may be required or desirable in relation to any Finance Document.

28.14 Relationship with the Lenders

- (a) The Agent may treat each person shown in its records as a Lender at the opening of business (in the place of the Agent's principal office as notified to the Finance Parties from time to time) as the Lender acting through its Facility Office:
 - (i) entitled to or liable for any payment due under any Finance Document on that day; and
 - (ii) entitled to receive and act upon any notice, request, document or communication or make any decision or determination under any Finance Document made or delivered on that day,unless it has received not less than five (5) Business Days prior notice from that Lender to the contrary in accordance with the terms of this Agreement.
- (b) Each Lender shall supply the Agent with any information that the Intercreditor Agent or Common Security Agent may reasonably specify (through the Agent) as being necessary or desirable to enable the Intercreditor Agent or Common Security Agent (as applicable) to perform its functions as Intercreditor Agent or Common Security Agent (as applicable). Each Lender shall deal with the Intercreditor Agent and the Common Security Agent exclusively through the Agent and shall not deal directly with the Intercreditor Agent or the Common Security Agent.
- (c) Each Lender may by notice to the Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Lender under the Finance Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under Clause 33.6 (*Electronic communication*)) electronic mail address and/or any other information required to enable the sending and receipt of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address, department and officer by that Lender for the purposes of Clause 33.2 (*Addresses*) and paragraph (a)(ii) of Clause 33.6 (*Electronic communication*) and the Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.

28.15 Credit appraisal by the Lenders

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Lender confirms to the Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

- (a) the financial condition, status and nature of each member of the Group;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document and the Transaction Security and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Transaction Security;
- (c) whether that Secured Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Finance Document, the Transaction Security or the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Transaction Security;
- (d) the adequacy, accuracy and/or completeness any information provided by the Agent, the Common Security Agent, any Party or by any other person under or in connection with any Finance Document, the transactions contemplated by any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and
- (e) the right or title of any person in or to, or the value or sufficiency of any part of the Charged Property, the priority of any of the Transaction Security or the existence of any Security affecting the Charged Property.

28.16 Reference Banks

The Agent may at any time and from time to time (in consultation with the Borrower) appoint any Lender or an Affiliate of a Lender to replace any Reference Bank that is not (or which is not an Affiliate of) a Lender.

28.17 Agent's management time

- (a) Any amount payable to the Agent under Clause 17.3 (*Indemnity to the Agent*), Clause 19 (*Costs and expenses*) and Clause 28.10 (*Lenders' indemnity to the Agent*) shall include the cost of utilising the Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Agent may notify to the Borrower and the Lenders, and is in addition to any fee paid or payable to the Agent under Clause 14 (*Fees*).
- (b) Any cost of utilising the Agent's management time or other resources shall include, without limitation, any such costs in connection with Clause 26.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates*).

28.18 Deduction from amounts payable by the Agent

If any Party owes an amount to the Agent under the Finance Documents the Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Party shall be regarded as having received any amount so deducted.

28.19 Reliance and engagement letters

Each Finance Party and Secured Party confirms that the Agent has authority to accept on its behalf and ratifies the acceptance on its behalf of any letters or reports already accepted by the Agent, the terms of any reliance letter or engagement letters relating to any reports or letters provided by any advisers in connection with the Finance Documents or the transactions contemplated in the Finance Documents and to bind it in respect of those reports or letters and to sign such letters on its behalf and further confirms that it accepts the terms and qualifications set out in such letters.

28.20 [Reserved]

28.21 Role of the Green Loan Coordinator

The Green Loan Coordinator does not have any obligations of any kind to any other Party under or in connection with any Finance Document.

29. Conduct of business by the Finance Parties

No provision of this Agreement will:

- (a) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim;
- (c) oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax; or
- (d) oblige any Finance Party to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any applicable anti-money laundering, economic or trade sanctions laws or regulations.

30. Sharing among the Finance Parties

30.1 Payments to Finance Parties

If a Finance Party (a “**Recovering Finance Party**”) receives or recovers any amount from an Obligor other than in accordance with Clause 31 (*Payment mechanics*) and applies that amount to a payment due under the Finance Documents then:

- (a) the Recovering Finance Party shall, within three (3) Business Days, notify details of the receipt or recovery, to the Agent;
- (b) the Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Agent and distributed in accordance with Clause 31 (*Payment mechanics*), without taking account of any Tax which would be imposed on the Agent in relation to the receipt, recovery or distribution; and
- (c) the Recovering Finance Party shall, within three (3) Business Days of demand by the Agent, pay to the Agent an amount (the “**Sharing Payment**”) equal to such receipt or recovery less any amount which the Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with Clause 31.6 (*Partial payments*).

30.2 Redistribution of payments

The Agent shall treat the Sharing Payment as if it had been paid by the relevant Obligor and distribute it between the Finance Parties (other than the Recovering Finance Party) (the “**Sharing Finance Parties**”) in accordance with Clause 31.6 (*Partial payments*) towards the obligations of that Obligor to the Sharing Finance Parties.

30.3 Recovering Finance Party’s rights

- (a) On a distribution by the Agent under Clause 30.2 (*Redistribution of payments*), the Recovering Finance Party will be subrogated to the rights of the Finance Parties which have shared in the redistribution.
- (b) If and to the extent that the Recovering Finance Party is not able to rely on its rights under paragraph (a) above, the relevant Obligor shall be liable to the Recovering Finance Party for a debt equal to the Sharing Payment which is immediately due and payable.

30.4 Reversal of redistribution

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

- (a) each Finance Party which has received a share of the relevant Sharing Payment pursuant to Clause 30.2 (*Redistribution of payments*) shall, upon request of the Agent, pay to the Agent for account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay); and
- (b) that Recovering Finance Party’s rights of subrogation in respect of any reimbursement shall be cancelled and the relevant Obligor will be liable to the reimbursing Finance Party for the amount so reimbursed.

30.5 Exceptions

- (a) This Clause 30 shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this Clause, have a valid and enforceable claim against the relevant Obligor.
- (b) A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:
 - (i) it notified the other Finance Party of the legal or arbitration proceedings; and
 - (ii) the other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

SECTION 11
ADMINISTRATION

31. Payment mechanics

31.1 Payments to the Agent

- (a) On each date on which an Obligor or a Lender is required to make a payment under a Finance Document that Obligor or Lender shall make the same available to the Agent (unless a contrary indication appears in a Finance Document) for value on the due date or such other date at the time and in such funds specified by the Agent as being customary at the time for settlement of transactions in the relevant currency in the place of payment.
- (b) In the case of payments to be made in Patacas, Hong Kong dollars or US dollars, payment shall be made to such account in the Macau SAR (or, if specified by way of written notice to the Parent and the Lenders by any successor to the Agent on or about the time of its becoming Agent, such other location as it shall select (acting reasonably)) with such bank as the Agent specifies.
- (c) In the case of payments to be made in any other currency, payment shall be made to such account in the principal financial centre of the country of that currency (or, if specified by way of written notice to the Parent and the Lenders by any successor to the Agent on or about the time of its becoming Agent, such other location as it shall select (acting reasonably)) with such bank as the Agent specifies.

31.2 Distributions by the Agent

- (a) Each payment received by the Agent under the Finance Documents for another Party shall, subject to Clause 31.3 (*Distributions to an Obligor*) and Clause 31.4 (*Clawback*) be made available by the Agent as soon as practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of a Lender, for the account of its Facility Office), to such account as that Party may notify to the Agent by not less than five (5) Business Days' notice with a bank specified by that Party in the principal financial centre of the country of that currency (which, in the case of Hong Kong dollars is Hong Kong SAR).
- (b) The Agent shall distribute payments received by it in relation to all or any part of a Loan to the Lender indicated in the records of the Agent as being so entitled on that date, *provided that* the Agent is authorised to distribute payments to be made on the date on which any transfer becomes effective pursuant to Clause 25 (*Changes to the Lenders*) to the Lender so entitled immediately before such transfer took place regardless of the period to which such sums relate.

31.3 Distributions to an Obligor

The Agent may (with the consent of the Obligor or in accordance with Clause 32 (*Set off*)) apply any amount received by it for that Obligor in or towards payment (on the date and in the currency and funds of receipt) of any amount due from that Obligor under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

31.4 Clawback

- (a) Where a sum is to be paid to the Agent under the Finance Documents for another Party, the Agent is not obliged to pay that sum to that other Party (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.

- (b) Unless paragraph (c) below applies, if the Agent pays an amount to another Party and it proves to be the case that the Agent had not actually received that amount, then the Party to whom that amount (or the proceeds of any related exchange contract) was paid by the Agent shall on demand refund the same to the Agent together with interest on that amount from the date of payment to the date of receipt by the Agent, calculated by the Agent to reflect its cost of funds.
- (c) If the Agent has notified the Lenders that it is willing to make available amounts for the account of the Borrower before receiving funds from the Lenders then if and to the extent that the Agent does so but it proves to be the case that it does not then receive funds from a Lender in respect of a sum which it paid to the Borrower:
 - (i) the Agent shall notify the Borrower of that Lender's identity and the Borrower shall on demand refund it to the Agent; and
 - (ii) the Lender by whom those funds should have been made available or, if that Lender fails to do so in circumstances where the Borrower had requested that the Agent make available amounts for the account of the Borrower before receiving funds from the Lenders only, the Borrower, shall on demand pay to the Agent the amount (as certified by the Agent) which will indemnify the Agent against any funding cost incurred by it as a result of paying out that sum before receiving those funds from that Lender.

31.5 Impaired Agent

- (a) If, at any time, the Agent becomes an Impaired Agent, an Obligor or a Lender which is required to make a payment under the Finance Documents to the Agent in accordance with Clause 31.1 (*Payments to the Agent*) may instead either:
 - (i) pay that amount direct to the required recipient(s); or
 - (ii) if, in its absolute discretion, it considers that it is not reasonably practicable to pay that amount direct to the required recipient(s), pay that amount or the relevant part of that amount to an interest-bearing account held with an Acceptable Bank within the meaning of paragraph (a) of the definition of "Acceptable Bank" and in relation to which no Insolvency Event has occurred and is continuing, in the name of the Obligor or the Lender making the payment (the "**Paying Party**") and designated as a trust account for the benefit of the Party or Parties beneficially entitled to that payment under the Finance Documents (the "**Recipient Party**" or "**Recipient Parties**").

In each case such payments must be made on the due date for payment under the Finance Documents.

- (b) All interest accrued on the amount standing to the credit of the trust account shall be for the benefit of the Recipient Party or Recipient Parties *pro rata* to their respective entitlements.
- (c) A Party which has made a payment in accordance with this Clause 31.5 shall be discharged of the relevant payment obligation under the Finance Documents and shall not take any credit risk with respect to the amounts standing to the credit of the trust account.
- (d) Promptly upon the appointment of a successor Agent in accordance with Clause 28.12 (*Replacement of the Agent*), each Paying Party shall (other than to the extent that that Party has given an instruction pursuant to paragraph (e) below) give all requisite instructions to the bank with whom the trust account is held to transfer the amount (together with any accrued interest) to the successor Agent for distribution to the Recipient Party or Recipient Parties in accordance with Clause 31.2 (*Distributions by the Agent*).

- (e) A Paying Party shall, promptly upon request by a Recipient Party and to the extent that:
 - (i) that it has not given an instruction pursuant to paragraph (d) above; and
 - (ii) that it has been provided with the necessary information by that Recipient Party,give all requisite instructions to the bank with whom the trust account is held to transfer the relevant amount (together with any accrued interest) to that Recipient Party.

31.6 Partial payments

- (a) If the Agent receives a payment for application against amounts due in respect of any Finance Documents that is insufficient to discharge all the amounts then due and payable by an Obligor under those Finance Documents, the Agent shall apply that payment towards the obligations of that Obligor under those Finance Documents in the following order:
 - (i) *firstly*, following the delivery of an Enforcement Notice, in payment of all costs and expenses incurred by or on behalf of the Agent, the Common Security Agent, the POA Agent, the Green Loan Coordinator or the Intercreditor Agent in connection with such enforcement or recovery and which have been certified, in writing, as having been incurred by the Agent, the Common Security Agent, the POA Agent, the Green Loan Coordinator or the Intercreditor Agent;
 - (ii) *secondly*, in or towards payment *pro rata* of any unpaid fees, costs and expenses of the Agent, the Common Security Agent, the POA Agent, the Green Loan Coordinator and the Intercreditor Agent under those Finance Documents;
 - (iii) *thirdly*, in payment *pro rata* of all amounts paid by any Secured Party under Clause 28.10 (*Lenders' indemnity to the Agent*) but which have not been reimbursed by the Borrower;
 - (iv) *fourthly*, in or towards payment *pro rata* of all accrued interest, costs, fees and expenses due and payable to the Lenders under the Finance Documents;
 - (v) *fifthly*, in or towards payment *pro rata* of any principal due but unpaid under the Facilities; and
 - (vi) *sixthly*, in or towards payment *pro rata* of any other sum due but unpaid under the Finance Documents.
- (b) The Agent shall, if so directed by the Lenders, vary the order set out in paragraphs (a)(iii) to (vi) above.
- (c) Paragraphs (a) and (b) above will override any appropriation made by an Obligor.

31.7 No set off by Obligors

All payments to be made by an Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set off or counterclaim.

31.8 Business Days

- (a) Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).
- (b) During any extension of the due date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

31.9 Currency of account

- (a) Subject to paragraphs (b) to (e) below, the Base Currency is the currency of account and payment for any sum due from an Obligor under any Finance Document.
- (b) A repayment of a Utilisation or Unpaid Sum or a part of a Utilisation or Unpaid Sum shall be made in the currency in which that Utilisation or Unpaid Sum is denominated on its due date.
- (c) Each payment of interest shall be made in the currency in which the sum in respect of which the interest is payable was denominated when that interest accrued.
- (d) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.
- (e) Any amount expressed to be payable in a currency other than the Base Currency shall be paid in that other currency.

31.10 Change of currency

- (a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:
 - (i) any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Agent (after consultation with the Borrower); and
 - (ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Agent (acting reasonably).
- (b) If a change in any currency of a country occurs, this Agreement will, to the extent the Agent (acting reasonably and after consultation with the Borrower) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Interbank Market and otherwise to reflect the change in currency.

31.11 Disruption to payment systems, etc.

If the Agent determines (in its discretion) that a Disruption Event has occurred or the Agent is notified by the Borrower that a Disruption Event has occurred:

- (a) the Agent may, and shall if requested to do so by the Borrower, consult with the Borrower with a view to agreeing with the Borrower such changes to the operation or administration of the Facilities as the Agent may deem necessary in the circumstances;

- (b) the Agent shall not be obliged to consult with the Borrower in relation to any changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;
- (c) the Agent may consult with the Finance Parties in relation to any changes mentioned in paragraph (a) above but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;
- (d) any such changes agreed upon by the Agent and the Borrower shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Parties as an amendment to (or, as the case may be, waiver of) the terms of the Finance Documents notwithstanding the provisions of Clause 37 (*Amendments and waivers*);
- (e) the Agent shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever (including, without limitation for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 31.11; and
- (f) the Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

31.12 Amounts paid in error

- (a) If the Agent pays an amount to another Finance Party and within five (5) Business Days of the date of payment the Agent notifies that Finance Party that such payment was an Erroneous Payment then the Finance Party to whom that amount was paid by the Agent shall on demand refund the same to the Agent together with interest on that amount from the date of payment to the date of receipt by the Agent, calculated by the Agent to reflect its cost of funds.
- (b) Neither:
 - (i) the obligations of any Finance Party to the Agent; nor
 - (ii) the remedies of the Agent,(whether arising under this Clause 31.12 or otherwise) which relate to an Erroneous Payment will be affected by any act, omission, matter or thing which, but for this paragraph (b), would reduce, release or prejudice any such obligation or remedy (whether or not known by the Agent or any other Finance Party).
- (c) All payments to be made by a Finance Party to the Agent (whether made pursuant to this Clause 31.12 or otherwise) which relate to an Erroneous Payment shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.
- (d) In this Agreement, “**Erroneous Payment**” means a payment of an amount by the Agent to another Finance Party which the Agent determines (in its sole discretion) was made in error.

32. Set off

Subject to the terms of Clause 30 (*Sharing among the Finance Parties*), a Finance Party may set off any matured obligation due from an Obligor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set off.

33. Notices

33.1 Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

33.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:

- (a) in the case of the Borrower and each other Obligor that is a Party as at the date of this Agreement:

Address: Studio City Investments Limited, Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands
Attention: Company Secretary
Fax: +1 284 494 7279

With a copy to:

Address: Melco Resorts & Entertainment Limited, 38/F, The Centrium, 60 Wyndham Street, Central, Hong Kong SAR
Attention: Mr. Graham Winter, Executive Vice President and Chief Legal Officer
Fax: +852 2537 3618
Telephone: +852 2598 3600

- (b) in the case of the Agent and the Green Loan Coordinator:

Address: 17/F, Bank of China Building, Avenida Doutor Mario Soares, Macau
Attention: Ms Jennie Chan / Ms Yan Chan / Ms Nora Pang / Ms Alana Lei/ Ms Viki Tong / Ms Christine Chong
Facsimile: (853) 8792 1659

Email: chan_unteng_mac@bank-of-china.com /
chan_unteng_mac@bankofchina.com / chan_chiian_mac@bank-of-china.com /
chan_chiian_mac@bankofchina.com / pang_kaian_mac@bank-of-china.com /
pang_kaian_mac@bankofchina.com / wong_man_mac@bankofchina.com /
wong_man_mac@bank-of-china.com/ chong_hongin_mac@bankofchina.com /
chong_hongin_mac@bank-of-china.com / tong_huangmei_mac@bank-of-china.com /
tong_huangmei_mac@bankofchina.com / lei_lan_mac@bankofchina.com/
lei_lan_mac@bank-of-china.com

- (c) in the case of the Common Security Agent and the POA Agent:

Address: 18/F, ICBC Tower, Macau Landmark, 555 Avenida da Amizade, Macau
Attention: Nicolas U / Kevin Kuok / Nick Wu / Liam Iong
Telephone: +853 8398 2655 / 8398 2723 / 8398 2296 / 8398 2542
Facsimile: +853 8398 2160 / 2858 4496
Email: nicolasu@mc.icbc.com.cn / kevinkuok@mc.icbc.com.cn /
nickwu@mc.icbc.com.cn/ liamiong@mc.icbc.com / cmdsyn@mc.icbc.com.cn /
lindachan@mc.icbc.com.cn / lillianhong@mc.icbc.com.cn /
seleneren@mc.icbc.com.cn / IceChen@mc.icbc.com.cn / leilatou@mc.icbc.com.cn

- (d) in the case of each Lender and each other Obligor, that notified in writing to the Agent on or prior to the date on which it becomes a Party,

or any substitute address, fax number or department or officer as the Party may notify to the Agent (or the Agent may notify to the other Parties, if a change is made by the Agent) by not less than 10 Business Days' notice.

33.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:
 - (i) if by way of fax, when received in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,and, if a particular department or officer is specified as part of its address details provided under Clause 33.2 (*Addresses*), if addressed to that department or officer.
- (b) Any communication or document to be made or delivered to the Agent, the POA Agent, the Green Loan Coordinator or the Common Security Agent will be effective only when actually received by the Agent, the POA Agent, the Green Loan Coordinator or Common Security Agent (as applicable) and then only if it is expressly marked for the attention of the department or officer identified in Clause 33.2 (*Addresses*) (or any substitute department or officer as the Agent, the POA Agent, the Green Loan Coordinator or Common Security Agent (as applicable) shall specify for this purpose).
- (c) All notices from or to an Obligor shall be sent through the Agent.
- (d) Any communication or document made or delivered to the Borrower in accordance with this Clause 33.3 will be deemed to have been made or delivered to each of the Obligors.

33.4 Notification of address and fax number

Promptly upon changing its own address or fax number, the Agent shall notify the other Parties.

33.5 Communication when Agent is Impaired Agent

If the Agent is an Impaired Agent the Parties may, instead of communicating with each other through the Agent, communicate with each other directly and (while the Agent is an Impaired Agent) all the provisions of the Finance Documents which require communications to be made or notices to be given to or by the Agent shall be varied so that communications may be made and notices given to or by the relevant Parties directly. This provision shall not operate after a replacement Agent has been appointed.

33.6 Electronic communication

- (a) Any communication to be made between the Agent, the POA Agent, the Green Loan Coordinator or the Common Security Agent and a Lender under or in connection with the Finance Documents may be made by electronic mail or other electronic means, if the Agent, the POA Agent, the Green Loan Coordinator, the Common Security Agent (as applicable) and the relevant Lender:

- (i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;
 - (ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - (iii) notify each other of any change to their address or any other such information supplied by them.
- (b) Any electronic communication made between the Agent and a Lender, the POA Agent, the Green Loan Coordinator or the Common Security Agent will be effective only when actually received in readable form and in the case of any electronic communication made by a Lender to the Agent, the POA Agent, the Green Loan Coordinator or the Common Security Agent only if it is addressed in such a manner as the Agent, the POA Agent, the Green Loan Coordinator or Common Security Agent (as applicable) shall specify for this purpose.
- (c) Notwithstanding the foregoing, each Party hereto agrees that the Agent may make information, documents and other materials that any Obligor is obligated to furnish to the Agent pursuant to the Finance Documents (together, “**Communications**”) available to any Finance Party by posting the Communications on IntraLinks or another relevant website, if any, to which such Finance Party has access (whether a commercial, third- party website or whether sponsored by the Agent) (the “**Platform**”). Nothing in this Clause 33.6 shall prejudice the right of the Agent to make the Communications available to any Finance Party in any other manner specified in this Agreement or any other Finance Documents.
- (d) Each Finance Party agrees that e-mail notice to it (at the address provided pursuant to the next sentence and deemed delivered as provided in the next paragraph) specifying that Communications have been posted to the Platform shall constitute effective delivery of such Communications to such Finance Party for purposes of this Agreement and the other Finance Documents. Each Finance Party agrees:
 - (i) to notify the Agent in writing (including by electronic communication) from time to time to ensure that the Agent has on record an effective e-mail address for such Finance Party to which the foregoing notice may be sent by electronic transmission; and
 - (ii) that the foregoing notice may be sent to such e-mail address.
- (e) Notwithstanding paragraph (f) below, each Party hereto agrees that any electronic communication referred to in this Clause 33.6 shall be deemed delivered upon the posting of a record of such communication (properly addressed to such party at the e- mail address provided to the Agent) as “sent” in the e-mail system of the sending party or, in the case of any such communication to the Agent, upon the posting of a record of such communication as “received” in the e-mail system of the Agent; *provided that* if such communication is not so received by a Finance Party in the place of receipt on a Business day or is not so received by a Finance Party on before 5.00 pm in the place of receipt on a Business Day, such communication shall be deemed delivered at the opening of business on the next Business Day for that Finance Party.
- (f) Each Party hereto acknowledges that:
 - (i) the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution;

- (ii) the Communications and the Platform are provided “as is” and “as available”;
 - (iii) none of the Agent, its affiliates nor any of their respective officers, directors, employees, agents, advisors or representatives (collectively, the “**Agency Parties**”) warrants the adequacy, accuracy or completeness of the Communications or the Platform, and each Agency Party expressly disclaims liability for errors or omissions in any Communications or the Platform; and
 - (iv) no representation or warranty of any kind, express, implied or statutory, including any representation or warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by any Agency Party in connection with any Communications or the Platform.
- (g) Each Obligor hereby acknowledges that from time to time certain of the Lenders may be “public-side” Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to MPEL, any of its Subsidiaries or their respective securities) (each, a “**Public Lender**”). Each Obligor hereby agrees that:
- (i) Communications that are to be made available on the Platform to Public Lenders shall be clearly and conspicuously marked “PUBLIC” which, at a minimum, shall mean that the word “PUBLIC” shall appear prominently on the first page thereof;
 - (ii) by marking Communications “PUBLIC,” each Obligor shall be deemed to have authorised the Finance Parties to treat such Communications as either publicly available information or not-material information (although it may be sensitive and proprietary) with respect to MPEL, any of its Subsidiaries or their respective securities for purposes of US federal and state securities laws;
 - (iii) all Communications marked “PUBLIC” are permitted to be made available through a portion of the Platform designated “Public Lender”; and
 - (iv) the Agent shall be entitled to treat any Communications that are not marked “PUBLIC” as being suitable only for posting on a portion of the Platform not designated “Public Lender”.

33.7 English language

- (a) Any notice given under or in connection with any Finance Document must be in English.
- (b) All other documents provided under or in connection with any Finance Document must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document or is required by law to be in one of the Macau SAR official languages (Chinese or Portuguese) and/or is to be filed with any Macau SAR Governmental Authority, in which case a Chinese or Portuguese version (as applicable) shall prevail.

33A. Bail-In

33A.1 Contractual Recognition of Bail-In

Notwithstanding any other term of any Finance Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with the Finance Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):
 - (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
 - (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
 - (iii) a cancellation of any such liability; and
- (b) a variation of any term of any Finance Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

33A.2 Bail-In Definitions

In this Clause 33A:

“**Article 55 BRRD**” means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

“**Bail-In Action**” means the exercise of any Write-down and Conversion Powers.

“**Bail-In Legislation**” means:

- (a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time;
- (b) in relation to the United Kingdom, the UK Bail-In Legislation; and
- (c) in relation to any state other than such an EEA Member Country and the United Kingdom, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation.

“**EEA Member Country**” means any member state of the European Union, Iceland, Liechtenstein and Norway.

“**EU Bail-In Legislation Schedule**” means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

“**Resolution Authority**” means any body which has authority to exercise any Write-down and Conversion Powers.

“**UK Bail-In Legislation**” means Part I of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

“**Write-down and Conversion Powers**” means:

- (a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule;
- (b) in relation to the UK Bail-In Legislation, any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers; and
- (c) in relation to any other applicable Bail-In Legislation:
 - (i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and
 - (ii) any similar or analogous powers under that Bail-In Legislation.

34. Calculations and certificates

34.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Finance Party are *prima facie* evidence of the matters to which they relate.

34.2 Certificates and determinations

Any certification or determination by a Finance Party of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

34.3 Day count convention

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days (where due in an Optional Currency other than the Base Currency) and 365 days (where due in the Base Currency).

34.4 Personal liability

No director, officer, employee or other individual acting (or purporting to act) on behalf of the Parent, any member of the Group (or any Affiliate of a member of the Group) shall be personally liable for:

- (a) any representation, certification or statement made or deemed to be made by him or her, the Parent or any other member of the Group in any Finance Document; or
- (b) any certificate, notice or other document required to be delivered under, or in connection with, any Finance Document, whether or not signed by that director, officer, employee or other individual,

where such representation, certification, statement, certificate, notice or other document proves to be incorrect or misleading, unless that individual acted fraudulently, recklessly or with an intention to mislead, in which case any liability will be determined in accordance with applicable law. Any director, officer, employee or other individual to whom this Clause 34.4 is expressed to apply may rely on this Clause 34.4, subject to Clause 1.3 (*Third party rights*) and the provisions of the Third Parties Act.

35. Partial invalidity

If, at any time, any provision of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

36. Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Finance Party or Secured Party, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any Finance Document. No election to affirm any Finance Document on the part of any Finance Party or Secured Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law.

37. Amendments and waivers

37.1 Intercreditor Agreement

This Clause 37 is subject to the terms of the Intercreditor Agreement.

37.2 Required consents

- (a) Subject to Clause 37.3 (*Exceptions*), Clause 37.3A (*Replacement of Screen Rate*) and paragraphs (b) and (d) below, any term of the Finance Documents (other than the Fee Letters) may be amended or waived only with the consent of the Majority Lenders and the Parent and any such amendment or waiver will be binding on all Parties.
- (b) The Agent may effect, on behalf of any Finance Party:
 - (i) any amendment or waiver or enter into any document or do any other act or thing permitted by this Clause 37 and any other provision of the Finance Documents; and
 - (ii) pursuant to paragraph (a) of Clause 28.2 (*Instructions*), any amendment or waiver of, or in respect of, such matters as it determines to be of a minor technical or administrative nature or of a non-credit related nature or to correct a manifest error.

- (c) Without prejudice to the generality of paragraphs (c) and (d) of Clause 28.6 (*Rights and discretions*), the Agent may engage, pay for and rely on the services of lawyers in determining the consent level required for and effecting any amendment, waiver of consent under the Finance Documents.
- (d) Each Obligor agrees to any such amendment or waiver permitted by this Clause 37 which is agreed to by the Parent, including any amendment or waiver which would, but for this paragraph (d), require the consent of all of the Guarantors.
- (e) In determining whether to consent to any amendment or waiver, the Finance Parties may have regard to the Green Loan Principles.

37.3 Exceptions

- (a) Subject to Clause 37.3A (*Replacement of Screen Rate*), an amendment, consent or waiver that has the effect of changing or which relates to:
 - (i) the definition of “Change of Control”, “Change of Control (Mr. Ho)”, “Concession Expiry”, “Land Concession Termination” or “Majority Lenders” in Clause 1.1 (*Definitions*), Clause 9.1 (*Definitions*) and Schedule 11 (*Definitions*);
 - (ii) an extension to the date of payment of any amount under the Finance Documents;
 - (iii) a reduction in the Margin or Adjusted Margin or a reduction in the amount of any payment of principal, interest, fees or commission payable;
 - (iv) a change in currency of payment of any amount under the Finance Documents;
 - (v) an increase in or an extension of any Commitment or the Total Commitments (other than pursuant to Clause 2.2 (*Increase*) or Clause 5B (*Incremental Facility Increases*));
 - (vi) a change to the Borrower;
 - (vii) a change to the Guarantors, other than in accordance with Clause 27 (*Changes to the Obligors*);
 - (viii) any provision which expressly requires the consent of all the Lenders;
 - (ix) Clause 2.3 (*Finance Parties’ rights and obligations*), Clause 8.1 (*Illegality*), Clause 9 (*Mandatory prepayment*) (save for an amendment, waiver or other exercise of any right, power or discretion in respect of Clause 10 (*Restrictions*)), Clause 11.5 (*Revolving Facility (Green) Margin Adjustment*), Clause 25 (*Changes to the Lenders*), Clause 30 (*Sharing among the Finance Parties*), Clause 31.6 (*Partial payments*) or this Clause 37;
 - (x) the nature or scope of the guarantee and indemnity granted under Clause 20 (*Guarantee and indemnity*) or the guarantee and indemnity granted under the SCIH Guarantee or any other Finance Document;
 - (xi) the nature or scope of the Charged Property or the manner in which the proceeds of enforcement of the Transaction Security are distributed (except in each case insofar as it relates to a sale or disposal of an asset which is the subject of the Transaction Security where such sale or disposal is expressly permitted under this Agreement or any other Finance Document);

- (xii) the release of any guarantee and indemnity granted under Clause 20 (*Guarantee and indemnity*), the SCIH Guarantee or any other Finance Document or of any Transaction Security unless permitted under this Agreement or any other Finance Document or relating to a sale or disposal or reorganisation of an asset which is the subject of the Transaction Security where such sale or disposal or reorganisation is expressly permitted under this Agreement or any other Finance Document;
 - (xiii) any requirement that a cancellation of Commitments (in respect of any Facility) reduces the Commitments of the Lenders (in respect of such Facility) rateably;
 - (xiv) a change to the governing law or jurisdiction provisions of any Finance Document;
 - (xv) any amendment to the order of priority or subordination under the Intercreditor Agreement or the manner in which the proceeds of enforcement of the Transaction Security are to be distributed;
 - (xvi) any amendment to Clause 23.14 (*High Yield Document*) or clause 15.14 (*High Yield Note Guarantees*) of the Intercreditor Agreement; or
 - (xvii) any Declassification Event,
- shall not be made without the prior consent of all the Lenders.
- (b) The Transaction Security Documents may be amended, varied, waived or modified with the agreement of the relevant Obligor or Grantor and the Common Security Agent (acting in accordance with the Intercreditor Agreement).
 - (c) An amendment or waiver which relates to the rights or obligations of the Agent, the POA Agent, the Green Loan Coordinator or the Common Security Agent may not be effected without the consent of the Agent, the POA Agent, the Green Loan Coordinator or the Common Security Agent (as applicable).
 - (d) [Reserved]
 - (e) Any amendment or waiver which:
 - (i) relates only to the rights or obligations applicable to a particular class of Lender(s) or group of Lenders; and
 - (ii) would not reasonably be expected to materially and adversely affect the rights or interests of Lenders in respect of another class or group of Lender(s),
 may be made in accordance with this Clause 37 but as if references in this Clause 37 to the specified proportion of Lenders (including, for the avoidance of doubt, all the Lenders) whose consent would, but for this paragraph (e), be required for that amendment or waiver were to that proportion of the Lenders participating in forming part of that particular class.
 - (f) No consent from any Lenders (other than the relevant Incremental Facility Increase Lenders) shall be required in connection with any amendment or waiver of a term of any Incremental Facility Increase other than:
 - (i) any amendment or waiver of Clause 5B (*Incremental Facility Increases*);
 - (ii) any amendment or waiver of a term of any Incremental Facility Increase which relates to or gives rise to a matter which would require an amendment of or under this Agreement (including, for the avoidance of doubt, under 5B (*Incremental Facility Increases*)); or

- (iii) any introduction of an additional commitment into the Finance Documents pursuant to Clause 5B (*Incremental Facility Increases*) or any increase to the Incremental Facility Increase Commitments;
- (g) An amendment, consent or waiver which relates to a prepayment to a Lender which is required under Clause 8.1 (*Illegality*) or paragraph (a) of Clause 9.2 (*Change of Control, Change of Control (Mr. Ho), Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event*) shall only require the consent of the Borrower and the Lender to which that amount has become payable under such provision.

37.3A Replacement of Screen Rate

- (a) Subject to paragraph (c) of Clause 37.3 (*Exceptions*), if a Screen Rate Replacement Event has occurred in relation to any Screen Rate for a currency which can be selected for a Loan, any amendment or waiver which relates to:
 - (i) providing for the use of a Replacement Benchmark in relation to that currency in place of that Screen Rate; and
 - (ii)
 - (A) aligning any provision of any Finance Document to the use of that Replacement Benchmark;
 - (B) enabling that Replacement Benchmark to be used for the calculation of interest under this Agreement (including, without limitation, any consequential changes required to enable that Replacement Benchmark to be used for the purposes of this Agreement);
 - (C) implementing market conventions applicable to that Replacement Benchmark;
 - (D) providing for appropriate fallback (and market disruption) provisions for that Replacement Benchmark; or
 - (E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Benchmark (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),may be made with the consent of the Agent (acting on the instructions of the Majority Lenders) and the Borrower.
- (b) If any Lender fails to respond to a request for an amendment or waiver described in, or for any other vote of Lenders in relation to, paragraph (a) above within ten Business Days (or such longer time period in relation to any request which the Company and the Agent may agree) of that request being made:
 - (i) its Commitment shall not be included for the purpose of calculating the Total Commitments when ascertaining whether any relevant percentage of Total Commitments has been obtained to approve that request; and
 - (ii) its status as a Lender shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve that request.

(c) In this Clause 37.3A:

“Relevant Nominating Body” means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.

“Replacement Benchmark” means a benchmark rate which is:

- (a) formally designated, nominated or recommended as the replacement for a Screen Rate by:
 - (i) the administrator of that Screen Rate (*provided* that the market or economic reality that such benchmark rate measures is the same as that measured by that Screen Rate); or
 - (ii) any Relevant Nominating Body,and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the “Replacement Benchmark” will be the replacement under paragraph (ii) above;
- (b) in the opinion of the Majority Lenders and the Borrower, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to a Screen Rate; or
- (c) in the opinion of the Majority Lenders and the Borrower, an appropriate successor to a Screen Rate.

“Screen Rate Replacement Event” means, in relation to a Screen Rate:

- (a) the methodology, formula or other means of determining that Screen Rate has, in the opinion of the Majority Lenders and the Obligors, materially changed;
- (b)
 - (i) (A) the administrator of that Screen Rate or its supervisor publicly announces that such administrator is insolvent; or
 - (B) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of that Screen Rate is insolvent,*provided* that, in each case, at that time, there is no successor administrator to continue to provide that Screen Rate;
- (ii) the administrator of that Screen Rate publicly announces that it has ceased or will cease to provide that Screen Rate permanently or indefinitely and, at that time, there is no successor administrator to continue to provide that Screen Rate;
- (iii) the supervisor of the administrator of that Screen Rate publicly announces that such Screen Rate has been or will be permanently or indefinitely discontinued;
- (iv) the administrator of that Screen Rate or its supervisor announces that that Screen Rate may no longer be used; or

- (v) in the case of a Screen Rate that is a Benchmark Rate, the supervisor of the administrator of that Screen Rate makes a public announcement or publishes information:
 - (A) stating that that Screen Rate is no longer or, as of a specified future date will no longer be, representative of the underlying market or economic reality that it is intended to measure and that representativeness will not be restored (as determined by such supervisor); and
 - (B) with awareness that any such announcement or publication will engage certain triggers for fallback provisions in contracts which may be activated by any such pre-cessation announcement or publication;
- (c) the administrator of that Screen Rate determines that that Screen Rate should be calculated in accordance with its reduced submissions or other contingency or fallback policies or arrangements and either:
 - (i) the circumstance(s) or event(s) leading to such determination are not (in the opinion of the Majority Lenders and the Obligors) temporary; or
 - (ii) that Screen Rate is calculated in accordance with any such policy or arrangement for a period no less than 30 days; or
- (d) in the opinion of the Majority Lenders and the Obligors, that Screen Rate is otherwise no longer appropriate for the purposes of calculating interest under this Agreement.

37.4 Disenfranchisement of Conflicted Lenders, Defaulting Lenders and Non-Responding Lenders

- (a) In ascertaining the Majority Lenders or whether any given percentage (including, for the avoidance of doubt, unanimity) of the Total Commitments or Total Commitments in respect of any particular Facility has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents, the Commitments and participations of any Conflicted Lender, any Defaulting Lender or any Non-Responding Lender will be deemed to be zero and its status as a Lender ignored.
- (b) For the purposes of this Clause 37.4, the Agent may assume that the following Lenders are Conflicted Lenders or Defaulting Lenders (as applicable):
 - (i) any Lender which has notified the Agent that it has become a Conflicted Lender or Defaulting Lender;
 - (ii) any Lender in relation to which it is aware that any of the events or circumstances referred to in paragraphs (a), (b) or (c) of the definition of “Defaulting Lender”,

unless it has received notice to the contrary from the Lender concerned (together with any supporting evidence reasonably requested by the Agent) or the Agent is otherwise aware that the Lender has ceased to be a Conflicted Lender or a Defaulting Lender.

37.5 Replaceable Lenders

If at any time a Lender has become and continues to be a Replaceable Lender, the Borrower may by giving 10 Business Days' prior written notice to the Agent and such Lender:

- (a) replace such Lender by requiring such Lender to (and, to the extent permitted by law, such Lender shall) transfer pursuant to Clause 25 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank, financial institution, trust, fund or other entity (other than a member of the Group) (a "**Replacement Lender**") selected by the Borrower which confirms its willingness to assume and does assume all the obligations or all the relevant obligations of the transferring Lender in accordance with Clause 25 (*Changes to the Lenders*) (including the assumption of the transferring Lender's participations or unfunded participations (as the case may be) on the same basis as the transferring Lender) for a purchase price in cash payable at the time of transfer in an amount equal to the outstanding principal amount of such Lender's participation in the outstanding Utilisations and all accrued interest and Break Costs and other amounts payable in relation thereto under the Finance Documents (without other premium or penalty); or
- (b) (in the case of any Replaceable Lender other than an Illegal Lender) give the Agent notice of the cancellation of the Commitment(s) of that Replaceable Lender and its intention to procure the prepayment of that Replaceable Lender's participation in the Loan(s) (a "**Cancellation Notice**") subject to the payment of any fees, costs, expenses then due and payable under the Finance Documents to that Replaceable Lender, provided that such Cancellation Notice is not delivered to the Agent later than 60 days after the date on which the Borrower first became aware that such Lender became a Replaceable Lender.

37.6 Conditions of replacement of a Replaceable Lender

- (a) Any transfer of rights and obligations of a Replaceable Lender pursuant to paragraph (a) of Clause 37.5 (*Replaceable Lenders*) shall be subject to the following conditions:
 - (i) the Borrower shall have no right to replace the Agent, Common Security Agent, the POA Agent or the Green Loan Coordinator;
 - (ii) neither the Agent nor the Replaceable Lender shall have any obligation to the Borrower to find a Replacement Lender;
 - (iii) the transfer must take place no later than 60 days after the date on which the Borrower first became aware that such Lender became a Replaceable Lender;
 - (iv) in no event shall the Replaceable Lender be required to pay or surrender to the Replacement Lender any of the fees received by such Replaceable Lender pursuant to the Finance Documents;
 - (v) the Replaceable Lender shall only be obliged to transfer its rights and obligations pursuant to paragraph (a) of Clause 37.5 (*Replaceable Lenders*) once it is satisfied that it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to that transfer to the Replacement Lender.
- (b) The Replaceable Lender shall perform the checks described in paragraph (a)(v) above as soon as reasonably practicable following delivery of a notice referred to in paragraph (a) of Clause 37.5 (*Replaceable Lenders*) and shall notify the Agent and the Borrower when it is satisfied that it has complied with those checks.

37.7 Cancellation and repayment of a Replaceable Lender (other than an Illegal Lender)

In the case where the Borrower gives a Cancellation Notice in respect of a Replacement Lender pursuant to paragraph (b) of Clause 37.5 (*Replaceable Lenders*):

- (a) upon such Cancellation Notice becoming effective (as specified in such Cancellation Notice), the Commitment of that Replaceable Lender in respect of each Facility shall immediately be reduced to zero, *provided that* the Total Commitments may (at the Borrower's option) be simultaneously with or subsequent to that cancellation be increased in accordance with Clause 2.2 (*Increase*); and
- (b) to the extent that such Replaceable Lender's participation in a Utilisation has not been transferred pursuant to paragraph (a) of Clause 37.5 (*Replaceable Lenders*), the Borrower shall, on the last day of the first Interest Period (relating to such Loan(s)) which ends after the Borrower delivered such Cancellation Notice (or, if earlier, the date specified by the Borrower in that Cancellation Notice) repay that Replaceable Lender's participation in such Loan(s) together with all interest thereon and other amounts accrued under the Finance Documents in relation thereto (together with Break Costs and other amounts payable),

provided that any such repayment may only be funded with amounts that could, at the time of such repayment (and on a *pro forma* basis as if such payment were a Restricted Payment), be paid as a Restricted Payment in accordance with Section 2 (*Limitation on Restricted Payments*) of Schedule 10 (*Covenants*) pursuant to Clause 23.1 (*Notes covenants*).

38. Disclosure of information

38.1 Confidential Information

Each Finance Party agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Clause 38.2 (*Disclosure of Confidential Information*), and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information.

38.2 Disclosure of Confidential Information

Any Finance Party or the Green Loan Coordinator may disclose:

- (a) to any of its Affiliates, head office and any other branch and Related Funds and any of its or their officers, directors, employees, professional advisers, delegates, agents, managers, administrators, nominees, attorneys, trustees, custodians and (unless it relates to any Services and Right to Use Agreement Confidential Information) auditors such Confidential Information as that Finance Party shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph (a) is informed in writing of (x) its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information and (y) in the case of any Services and Right to Use Agreement Confidential Information, that the Group is subject to a duty of confidentiality to the government and/or the relevant public regulatory authorities of the Macau SAR;
- (b) to any person:
 - (i) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents or succeeds (or which may potentially succeed) it as Agent or Common Security Agent or POA Agent or Green Loan Coordinator, and in each case, to any of that person's Affiliates, head office and any other branch, Related Funds, delegate, agent, manager, administrator, nominee, attorney, trustee, custodians and professional advisers;

- (ii) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Finance Documents and/or one or more Obligors and to any of that person's Affiliates, Related Funds, representatives and professional advisers;
- (iii) appointed by any Finance Party or by a person to whom sub paragraph (i) or (ii) above applies to receive communications, notices, information or documents delivered pursuant to the Finance Documents on its behalf (including, without limitation, any person appointed under paragraph (c) of Clause 28.14 (*Relationship with the Lenders*));
- (iv) who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in paragraph (i) or (ii) above;
- (v) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
- (vi) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;
- (vii) to whom or for whose benefit that Finance Party charges, assigns or otherwise creates Security (or may do so) pursuant to Clause 25.8 (*Security interests over Lenders' rights*);
- (viii) who is a Party;
- (ix) with the prior written consent of the Borrower; or
- (x) to whom information is required to be disclosed pursuant to any internal policies and procedure of any Finance Party in relation to the certification and/or monitoring of any Revolving Facility (Green) Loans or the Eligible Green Assets,

in each case, such Confidential Information as that Finance Party shall consider appropriate if:

- (A) in relation to paragraphs (b)(i), (ii) and (iii) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking except that there shall be no requirement for a Confidentiality Undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;
- (B) in relation to paragraph (b)(iv) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price-sensitive information;

- (C) in relation to paragraphs (b)(v), (vi) and (vii) above, the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of that Finance Party, it is not practicable so to do in the circumstances;
- (c) to any person appointed by that Finance Party or by a person to whom paragraph (b)(i) or (ii) above applies to provide administration or settlement services in respect of one or more of the Finance Documents including without limitation, in relation to the trading of participations in respect of the Finance Documents, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this paragraph (c) if the service provider to whom the Confidential Information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Borrower and the relevant Finance Party;
- (d) to any rating agency (including its professional advisers) such Confidential Information as may be required to be disclosed to enable such rating agency to carry out its normal rating activities in relation to the Finance Documents and/or the Obligors if the rating agency to whom the Confidential Information is to be given is informed of (x) its confidential nature and that some or all of such Confidential Information may be price-sensitive information and (y) in the case of any Services and Right to Use Agreement Confidential Information, that the Group is subject to a duty of confidentiality to the government and/or the relevant public regulatory authorities of the Macau SAR; and
- (e) to the International Swaps and Derivatives Association, Inc. ("ISDA") or any Credit Derivatives Determination Committee or sub-committee of ISDA where such disclosure is required by them in order to determine whether the obligations under the Finance Documents will be, or in order for the obligations under the Finance Documents to become, deliverable under a credit derivative transaction or other credit linked transaction which incorporates the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement or other provisions substantially equivalent thereto if ISDA is informed of (x) its confidential nature and that some or all of such Confidential Information may be price-sensitive information and (y) in the case of any Services and Right to Use Agreement Confidential Information, that the Group is subject to a duty of confidentiality to the government and/or the relevant public regulatory authorities of the Macau SAR.

38.3 Disclosure to numbering service providers

- (a) Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facilities and/or one or more Obligors the following information:
 - (i) names of Obligors;
 - (ii) country of domicile of Obligors;
 - (iii) place of incorporation of Obligors;

- (iv) date of this Agreement;
 - (v) Clause 41 (Governing Law);
 - (vi) the name of the Agent;
 - (vii) date of each amendment and restatement of this Agreement;
 - (viii) amounts of, and names of, the Facilities (and any tranches);
 - (ix) amount of Total Commitments, Total Incremental Facility Increase Commitments in respect of any Incremental Facility Increase, Revolving Facility (General) Commitments or Revolving Facility (Green) Commitments;
 - (x) currencies of the Facilities;
 - (xi) type of Facilities;
 - (xii) ranking of Facilities;
 - (xiii) Termination Date for Facilities;
 - (xiv) changes to any of the information previously supplied pursuant to paragraphs (i) to (xiii) above; and
 - (xv) such other information agreed between such Finance Party and the Borrower,
to enable such numbering service provider to provide its usual syndicated loan numbering identification services.
- (b) The Parties acknowledge and agree that each identification number assigned to this Agreement, the Facilities and/or one or more Obligors by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.
- (c) The Borrower represents that none of the information set out in paragraphs (i) to (xv) of paragraph (a) above is, nor will at any time be, unpublished price-sensitive information.
- (d) The Agent shall notify the Borrower and the other Finance Parties of:
- (i) the name of any numbering service provider appointed by the Agent in respect of this Agreement, the Facilities and/or one or more Obligors; and
 - (ii) the number or, as the case may be, numbers assigned to this Agreement, the Facilities and/or one or more Obligors by such numbering service provider.

38.4 Entire agreement

This Clause 38 constitutes the entire agreement between the Parties in relation to the obligations of the Finance Parties under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

38.5 Inside information

Each of the Finance Parties acknowledges that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each of the Finance Parties undertakes not to use any Confidential Information for any unlawful purpose.

38.6 Notification of disclosure

Each of the Finance Parties agrees (to the extent permitted by law and regulation) to inform the Borrower:

- (a) of the circumstances of any disclosure of Confidential Information made pursuant to paragraph (b)(v) of Clause 38.2 (*Disclosure of Confidential Information*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
- (b) upon becoming aware that Confidential Information has been disclosed in breach of this Clause 38.

38.7 Continuing obligations

The obligations in this Clause 38 are continuing and, in particular, shall survive and remain binding on each Finance Party for a period of twelve months from the earlier of:

- (a) the date on which all amounts payable by the Obligors under or in connection with the Finance Documents have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and
- (b) the date on which such Finance Party otherwise ceases to be a Finance Party.

38.8 Tax Disclosure

Notwithstanding any of the provisions of the Finance Documents, the Obligors and the Finance Parties hereby agree that each Party and each employee, representative or other agent of each Party may disclose to any and all persons, without limitation of any kind, the “tax structure” and “tax treatment” (in each case within the meaning of the U.S. Treasury Regulation Section 1.6011-4) of the Facility and any materials of any kind (including opinions or other tax analyses) that are provided to any of the foregoing relating to such tax structure and tax treatment to the extent, but only to the extent, necessary for the transaction to avoid being considered a confidential transaction for purposes of U.S. Treasury Regulation section 1.6011-4(b)(3).

39. Counterparts

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

40. USA Patriot Act

Each Lender hereby notifies each Obligor that pursuant to the requirements of the USA Patriot Act, such Lender is required to obtain, verify and record information that identifies such Obligor, which information includes the name and address of such Obligor and other information that will allow such Lender to identify such Obligor in accordance with the USA Patriot Act.

SECTION 12
GOVERNING LAW AND ENFORCEMENT

41. Governing law

41.1 Governing law

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

41.2 Schedule 10 (*Covenants*) and Schedule 11 (*Definitions*)

Without prejudice to Clause 41.1 (*Governing law*), the Parties agree that Schedule 10 (*Covenants*) and Schedule 11 (*Definitions*) shall be construed in accordance with New York law.

42. Enforcement

42.1 Jurisdiction of English courts

- (a) The courts of England have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a “**Dispute**”).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) Notwithstanding paragraphs (a) and (b) above, no Finance Party or Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties and Secured Parties may take concurrent proceedings in any number of jurisdictions.

42.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Obligor:
 - (i) irrevocably appoints Law Debenture Corporate Service Limited as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and
 - (ii) agrees that failure by an agent for service of process to notify the relevant Obligor of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Borrower (on behalf of all the Obligors) must immediately (and in any event within three (3) Business Days of such event taking place) appoint another agent on terms acceptable to the Agent. Failing this, the Agent may appoint another agent for this purpose.

42.3 Waiver of immunities

The Borrower irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:

- (a) suit;

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- (b) jurisdiction of any court;
 - (c) relief by way of injunction or order for specific performance or recovery of property;
 - (d) attachment of its assets (whether before or after judgment); and
 - (e) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings).

This Agreement has been entered into on the date stated at the beginning of this Agreement.

Schedule 1
Original Parties

Part 1
Original Lenders

Name of Original Lenders	Place of Incorporation	Revolving Facility (General) Commitment (HK\$)	Revolving Facility (Green) Commitment (HK\$)
Bank of China Limited, Macau Branch	Incorporated with limited liability under the laws of the People's Republic of China	622,400,000	155,600,000
Bank of Communication Co., Ltd. Macau Branch	Incorporated with limited liability under the laws of the People's Republic of China	248,960,000	62,240,000
Industrial and Commercial Bank of China (Macau) Limited	Incorporated with limited liability under the laws of the Macau SAR	155,600,000	38,900,000
Luso International Banking Limited	Incorporated with limited liability under the laws of the Macau SAR	155,600,000	38,900,000
Tai Fung Bank Limited	Incorporated with limited liability under the laws of the Macau SAR	155,600,000	38,900,000
Deutsche Bank Aktiengesellschaft a joint stock company with limited liability incorporated in the Federal Republic of Germany, local court of Frankfurt am Main, HRB no. 30,000, acting through its Singapore Branch (also known as Deutsche Bank AG, Singapore Branch)	A joint stock company with limited liability incorporated in the Federal Republic of Germany, local court of Frankfurt am Main, HRB no. 30,000 acting through its Singapore Branch	155,600,000	38,900,000

Name of Original Lenders	Place of Incorporation	Revolving Facility (General) Commitment (HK\$)	Revolving Facility (Green) Commitment (HK\$)
Banco Comercial de Macau, S.A.	Incorporated with limited liability under the laws of the Macau SAR	62,240,000	15,560,000
<i>Total</i>		1,556,000,000	389,000,000

Part 2
Original Guarantors

Original Guarantor	Jurisdiction of incorporation	Registration Number (or equivalent)
Studio City Investments Limited	British Virgin Islands	1673083
Studio City Holdings Two Limited	British Virgin Islands	402572
Studio City Holdings Three Limited	British Virgin Islands	1746781
Studio City Holdings Four Limited	British Virgin Islands	1746782
SCP Holdings Limited	British Virgin Islands	1697577
SCP One Limited	British Virgin Islands	1697795
SCP Two Limited	British Virgin Islands	1697797
SCIP Holdings Limited	British Virgin Islands	1789810
Studio City Entertainment Limited	Macau SAR	27610
Studio City Services Limited	Macau SAR	40053
Studio City Hotels Limited	Macau SAR	41334
Studio City Hospitality and Services Limited	Macau SAR	40168
Studio City Developments Limited	Macau SAR	14311
Studio City Retail Services Limited	Macau SAR	45208
Studio City (HK) Two Limited (新濠影匯(香港)第二有限公司)	Hong Kong SAR	69617127

Part 1

Conditions precedent required to be delivered on the first Utilisation Date

1. Constitutional documents

- (a) A copy of the Constitutional Documents of each Obligor, SCH5, Melco Resorts Macau and SCIH (except for the register of members of SCIH).
- (b) A copy of an up-to-date certificate of incumbency issued not more than one month prior to the date of this Agreement in respect of each Obligor incorporated in the British Virgin Islands and SCH5, issued by its respective registered agent.
- (c) A copy of a certificate of good standing issued not more than one month prior to the date of this Agreement in respect of each Obligor incorporated in the British Virgin Islands and SCH5, issued by Registrar of Corporate Affairs in the British Virgin Islands.
- (d) A copy of a certificate of good standing issued not more than one month prior to the date of this Agreement in respect of SCIH, issued by the Registrar of Companies in the Cayman Islands.

2. Corporate documents

- (a) A copy of a resolution of the board of directors of each Obligor, SCH5, Melco Resorts Macau and SCIH (save if such resolution is not required under the law of incorporation or the Constitutional Documents of that Obligor, SCH5, Melco Resorts Macau or SCIH (as applicable)) approving the terms of, and the transactions contemplated by, the documents referred to in paragraph 3 below to which it is a party (the “**Documents**”) and resolving that it execute, deliver and perform the Documents; authorising a specified person or persons to execute the Documents; and authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices under or in connection with the Documents.
- (b) A copy of the shareholders’ resolutions of each Obligor (except for the Borrower, the Parent and each Obligor incorporated in the Macau SAR) and SCH5 approving the terms of, and the transactions contemplated by, the Documents.
- (c) A specimen of the signature of each person authorised by the resolution referred to in paragraph 2(a) above who will sign (or has signed) any of the Documents.
- (d) A certificate of each Obligor, SCH5, Melco Resorts Macau and SCIH (signed by a director) confirming that borrowing, guaranteeing or securing, as appropriate, the Total Commitments or the entry into or performance under any of the Transaction Documents to which it is a party would not cause any borrowing, guarantee, security or similar limit or any other Legal Requirement binding on it to be exceeded.
- (e) A certificate of each Obligor, SCH5, Melco Resorts Macau and SCIH (signed by a director) certifying that each copy document relating to it specified in this Part 1 of Schedule 2 is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.

3. Documents

- (a) A copy of this Agreement duly entered into by the parties hereto.

- (b) A copy of the accession deed to the Intercreditor Agreement duly entered into by the parties thereto.
- (c) A copy of each Fee Letter duly entered into by the parties thereto.
- (d) A copy of each Confirmatory Security Document entered into by the parties thereto.
- (e) A copy of the SCIH Guarantee duly entered into by the parties thereto.

4. Legal Opinions

- (a) A legal opinion in relation to English law from White & Case, legal advisers to the Agent, substantially in the form distributed to the Agent prior to the signing of this Agreement.
- (b) A legal opinion in relation to Hong Kong law from White & Case, legal advisers to the Agent, substantially in the form distributed to the Agent prior to the signing of this Agreement.
- (c) A legal opinion in relation to Macanese law from Henrique Saldanha Advogados & Notários, legal advisers to the Agent, substantially in the form distributed to the Agent prior to the signing of this Agreement.
- (d) A legal opinion in relation to British Virgin Islands law from Maples and Calder (Hong Kong) LLP, legal advisers to the Agent, substantially in the form distributed to the Agent prior to the signing of this Agreement.
- (e) A legal opinion in relation to Cayman Islands law from Maples and Calder (Hong Kong) LLP, legal advisers to the Agent, substantially in the form distributed to the Agent prior to the signing of this Agreement.

5. Fees and expenses

Evidence that all Taxes, fees, costs and expenses then due and payable from the Borrower under this Agreement have been or will be paid on, prior to or shortly after the first Utilisation Date.

6. Other documents and evidence

- (a) A certified true copy of the Group Structure Chart.
- (b) A copy of the Amended Land Concession.
- (c) A copy of the Original Financial Statements.
- (d) A copy of the Financial Model.
- (e) A copy of a Valuation Report (with respect to valuation as of a date falling not earlier than six (6) months prior to the date of this Agreement).
- (f) Evidence that the agents of the Obligors, SCH5 and SCIH under the Finance Documents for service of process in England and Hong Kong SAR respectively have accepted their appointments.
- (g) Evidence that all “know your customer” requirements of each Finance Party have been satisfactorily completed.

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- (h) A copy of any other Authorisation or other document, opinion or assurance which the Agent considers to be necessary or desirable (if it has notified the Borrower accordingly) in connection with the entry into and performance of the transactions contemplated by any Transaction Document or for the validity and enforceability of any Transaction Document.
 - (i) A copy of a Second Party Opinion.

Part 2

Conditions precedent required to be delivered by an Additional Guarantor

1. An Accession Letter executed by the Additional Guarantor and the Borrower.
2. A copy of the Constitutional Documents of the Additional Guarantor.
3. In the case of any Additional Guarantor who is a US Person, a copy of a good standing certificate (including verification of tax status) or equivalent with respect to the Additional Guarantor, issued as of a recent date by the Secretary of State or other relevant State or other Governmental Authority.
4. A copy of a resolution of the board of directors or sole director of the Additional Guarantor:
 - (a) approving the terms of, and the transactions contemplated by, the Accession Letter and the Transaction Documents to which it is a party and resolving that it execute, deliver and perform the Accession Letter and any other Transaction Documents to which it is a party;
 - (b) authorising a specified person or persons to execute the Accession Letter and other Transaction Documents on its behalf; and
 - (c) authorising the Borrower to act as its agent in connection with the Finance Documents.
5. A specimen of the signature of each person authorised by the resolution referred to in paragraph 4 above.
6. A copy of a resolution signed by all the holders of the issued shares in each Additional Guarantor, approving the terms of, and the transactions contemplated by, the Transaction Documents to which it is a party.
7. A certificate of the Additional Guarantor (signed by a director) confirming that borrowing or guaranteeing or securing, as appropriate, the Total Commitments or the entry into or performance under any of the Transaction Documents to which it is a party would not cause any borrowing, guarantee, security or similar limit or any other Legal Requirement binding on it to be exceeded.
8. A certificate of an authorised signatory of the Additional Guarantor certifying that each document, copy document and other evidence listed in this Part 2 of Schedule 2 is correct, complete and in full force and effect and has not been amended or superseded as at a date no earlier than the date of the Accession Letter.
9. The following legal opinions:
 - (a) A legal opinion of the legal advisers to the Agent and the Common Security Agent, as to English law.
 - (b) If the Additional Guarantor is incorporated in a jurisdiction other than England and Wales or is executing a Finance Document which is governed by a law other than English law, a legal opinion of the legal advisers to the Agent and the Common Security Agent in each of those jurisdictions.
10. Evidence that the agent for service of process specified in Clause 42.2 (*Service of process*) has accepted its appointment in relation to the proposed Additional Guarantor.
11. Any Transaction Security Documents which are required by the Agent to be executed by the proposed Additional Guarantor (and which are in form and substance substantially equivalent to those entered into by the existing Obligors).

12. Any notices, requests for undertakings or other documents required to be given or executed under the terms of those Transaction Security Documents, together with, where relevant, their due acknowledgement and agreement by the addressee or any other person expressed to be a party thereto.
13. Evidence that promptly after the execution of any Transaction Security Document by a company incorporated in the British Virgin Islands (a “**BVI Company**”), such BVI Company has instructed (i) its registered agent in the British Virgin Islands to create and maintain a Register of Charges that complies with the BVI Business Companies Act (as amended) (the “**BBCA**”), (ii) to enter particulars of the security created pursuant to such Transaction Security Document in such Register of Charges, and (iii) its registered agent to effect registration of such Transaction Security Document at the Registry pursuant to Section 163 of the BBCA.
14. Evidence that within 10 Business Days after the date of execution of any relevant Transaction Security Documents relating to shares in a BVI Company, (i) a notation of the security created by such Transaction Security Document has been made in the relevant Register of Members of such BVI Company pursuant to section 66(8) of the BBCA and (ii) a copy of such annotated Register of Members has been filed with the Registry.
15. A certified copy of each of the Registers of Members referred to and as annotated as set out in paragraph 14 above.

Schedule 3
Form of Utilisation Request

From: Studio City Company Limited as Borrower

To: [Agent]

Date:

Dear Sirs

**Studio City Company Limited—Facilities Agreement dated [●]
(as amended and amended and restated from time to time) (the “Facilities Agreement”)**

1. We refer to the Facilities Agreement. This is a Utilisation Request. Terms defined in the Facilities Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.
2. We wish to borrow a Loan on the following terms:

Proposed Utilisation Date:	[●] (or, if that is not a Business Day, the next Business Day)
Facility to be used	[Facility]
Currency of Loan:	[HK dollars / US dollars]
Amount:	[●] or, if less, the applicable Available Facility
Interest Period:	[●]
Purpose:	[●]
3. We confirm that:
 - (a) the purpose specified above complies with the permitted use of the [relevant Facility] under the Facilities Agreement and the restrictions set out in of Clause 5.5 (*Limitations on Utilisations*) of the Facilities Agreement and no part of the Loan will be applied otherwise than in accordance with such purpose; and
 - (b) each condition specified in Clause 4.2 (*Utilisation conditions precedent*) is satisfied on the date of this Utilisation Request.
4. [This Loan is to be made in [whole]/[part] for the purpose of refinancing [*identify maturing Loan*] in whole or in part]/[Subject to paragraph 5 below,] the proceeds of this Loan will be used in accordance with [*specify relevant paragraph*] of Clause 3.1 (*Purpose*) of the Facilities Agreement and should be credited to [*account in the name of the Borrower/Revolving Facility Loan Disbursement Account*]]./[The proceeds of this Loan should be credited to [*account/Revolving Facility Loan Disbursement Account*]].
5. [We authorise you to deduct from the proceeds of the Loan [(and pay, to the applicable recipient(s), such amount deducted)] any fee referred to in Clause 14 (*Fees*) and [*insert references to applicable costs and expenses, including legal fees*].]
6. This Utilisation Request is irrevocable.

Yours faithfully

.....
authorised signatory
for and on behalf of
Studio City Company Limited

Schedule 4
Form of Transfer Certificate

To: [●] as Agent and [●] as Intercreditor Agent

From: [The Existing Lender] (the “Existing Lender”) and [The New Lender] (the “New Lender”)

Dated:

Dear Sirs

Studio City Company Limited—Facilities Agreement dated [●]
(as amended and amended and restated from time to time) (the “Facilities Agreement”)

1. We refer to the Facilities Agreement and to the Intercreditor Agreement (as defined in the Facilities Agreement). This agreement (the “**Agreement**”) shall take effect as a Transfer Certificate for the purpose of the Facilities Agreement and as a Creditor/Creditor Representative Accession Undertaking for the purposes of the Intercreditor Agreement (and as defined in the Intercreditor Agreement). Terms defined in or construed for the purposes of the Facilities Agreement have the same meaning in this Agreement unless given a different meaning in this Agreement.
2. We refer to Clause 25.5 (*Procedure for transfer*) of the Facilities Agreement:
 - (a) The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender by novation all or part of the Existing Lender’s Commitment(s) and/or all or part of the Existing Lender’s participation(s) in Loan(s), rights and obligations referred to in the Schedule in accordance with Clause 25.5 (*Procedure for transfer*).
 - (b) The Existing Lender transfers to the New Lender all the rights of the Existing Lender under the Onshore Security Documents and in respect of the Transaction Security created or expressed to be created thereunder which correspond to that portion of the Existing Lender’s Commitment, rights and obligations referred to (if any) under the Onshore Security Documents in the Schedule.
 - (c) The Existing Lender is released from all the obligations of the Existing Lender which correspond to that portion of the Existing Lender’s Commitment, rights and obligations referred to (if any) under the Onshore Security Documents in the Schedule.
 - (d) The proposed Transfer Date is [●].
 - (e) The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of Clause 33.2 (*Addresses*) are set out in the Schedule.
3. The New Lender expressly acknowledges:
 - (a) the limitations on the Existing Lender’s obligations set out in paragraph (c) of Clause 25.4 (*Limitation of responsibility of Existing Lenders*); and
 - (b) that it is the responsibility of the New Lender to ascertain whether any document is required or any formality or other condition requires to be satisfied to effect or perfect the transfer contemplated by this Transfer Certificate or otherwise to enable the New Lender to enjoy the full benefit of each Finance Document.
4. The New Lender confirms that it is a “New Lender” within the meaning of Clause 25.1 (*Assignments and transfers by the Lenders*).
5. The New Lender confirms that it [is]/[is not] a Sponsor Affiliate.

6. We refer to clauses 25.5 (*Change of Credit Facility Lender or Pari Passu Lender under an Existing Credit Facility or Pari Passu Facility*) and 25.14 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement:

In consideration of the New Lender being accepted as a Credit Facility Lender (as defined in the Intercreditor Agreement) for the purposes of the Intercreditor Agreement, the Increase Lender confirms that, as from the Increase Date, it intends to be party to the Intercreditor Agreement as a Credit Facility Lender and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Credit Facility Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.
7. This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on such counterparts were on a single copy of this Agreement.
8. This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with the laws of England and Wales.

The execution of this Transfer Certificate may not entitle the New Lender to a proportionate share of the Transaction Security in all jurisdictions. It is the responsibility of the New Lender to ascertain whether any other documents or other formalities are required in any jurisdiction and, if so, to arrange for execution of those documents and completion of those formalities.

THE SCHEDULE

Commitment/rights and obligations to be transferred

[insert relevant details]

[Facility Office address, fax number and attention details for notices and account details for payments,]

[Existing Lender]

[New Lender]

By:

By:

This Agreement is accepted as a Transfer Certificate for the purposes of the Facilities Agreement by the Agent and as a Creditor/Agent Accession Undertaking for the purposes of and as defined in the Intercreditor Agreement by the Intercreditor Agent, and the Transfer Date is confirmed as [●].

Agent

By:

Intercreditor Agent

By:

Note: It is the New Lender's responsibility to ascertain whether any other document is required, or any formality or other condition is required to be satisfied, to effect or perfect the transfer contemplated in this Transfer Certificate or to give the New Lender full enjoyment of all the Finance Documents (including the SCIH Guarantee).

Schedule 5

Form of Assignment Agreement and Lender Accession Undertaking

To: [●] as Agent and [●] as Intercreditor Agent

From: [The Existing Lender] (the “Existing Lender”) and [The New Lender] (the “New Lender”)

Dated:

Dear Sirs

**Studio City Company Limited—Facilities Agreement dated [●]
(as amended and amended and restated from time to time) (the “Facilities Agreement”)**

1. We refer to the Facilities Agreement and to the Intercreditor Agreement (as defined in the Facilities Agreement). This is an Assignment Agreement and Lender Accession Undertaking. This agreement (the “Agreement”) shall take effect as an Assignment Agreement and Lender Accession Undertaking for the purpose of the Facilities Agreement and as a Creditor/Creditor Representative Accession Undertaking for the purposes of the Intercreditor Agreement (and as defined in the Intercreditor Agreement). Terms defined in or construed for the purposes of the Facilities Agreement have the same meaning in this Agreement unless given a different meaning in this Agreement.
 - (a) We refer to Clause 25.6 (*Procedure for assignment*) of the Facilities Agreement.
 - (b) The Existing Lender assigns absolutely to the New Lender all the rights of the Existing Lender under the Facilities Agreement, the other Finance Documents (excluding the Onshore Security Documents) and under the Onshore Security Documents and in respect of the Transaction Security created or expressed to be created thereunder which correspond to that portion of the Existing Lender’s Commitment(s) and/or all or part of the Existing Lender’s participation(s) in Loan(s) under the Facilities Agreement and its rights and obligations referred to (if any) under the Onshore Security Documents in the Schedule.
 - (c) The Existing Lender is released from all the obligations of the Existing Lender which correspond to that portion of the Existing Lender’s Commitment(s) and/or all or part of the Existing Lender’s participation(s) in Loan(s) under the Facilities Agreement and its rights and obligations referred to (if any) under the Onshore Security Documents in the Schedule.
2. The proposed Transfer Date is [●].
3. On the Transfer Date the New Lender becomes:
 - (a) party to the relevant Finance Documents (other than the Intercreditor Agreement) as a Lender; and
 - (b) party to the Intercreditor Agreement as a Credit Facility Lender.
4. The New Lender expressly acknowledges the limitations on the Existing Lender’s obligations set out in paragraph (c) of Clause 25.4 (*Limitation of responsibility of Existing Lenders*).
5. The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of Clause 33.2 (*Addresses*) are set out in the Schedule.
6. The New Lender confirms that it [is]/[is not] a Sponsor Affiliate.

7. We refer to clauses 25.5 (*Change of Credit Facility Lender or Pari Passu Lender under an Existing Credit Facility or Pari Passu Facility*) and 25.14 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement:

In consideration of the New Lender being accepted as a Credit Facility Lender (as defined in the Intercreditor Agreement) for the purposes of the Intercreditor Agreement, the Increase Lender confirms that, as from the Increase Date, it intends to be party to the Intercreditor Agreement as a Credit Facility Lender and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Credit Facility Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.
8. This Agreement acts as notice to the Agent (on behalf of each Finance Party) and, upon delivery to the Borrower and the Parent in accordance with Clause 25.7 (*Copy of assignments, transfer and accession documents to the Borrower and Parent*), to the Borrower and to the Parent (for itself and for and on behalf of each other Obligor) of the assignment referred to in this Agreement.
9. This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.
10. This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with the laws of England and Wales.

The execution of this Assignment Agreement and Lender Accession Undertaking may not entitle the New Lender to a proportionate share of the Transaction Security in all jurisdictions. It is the responsibility of the New Lender to ascertain whether any other documents or other formalities are required in any jurisdiction and, if so, to arrange for execution of those documents and completion of those formalities.

THE SCHEDULE

Commitment/rights and obligations to be transferred by assignment, release and accession

[insert relevant details]

[Facility office address, fax number and attention details for notices and account details for payments]

[Existing Lender]

[New Lender]

By:

By:

This Agreement is accepted as an Assignment Agreement and Lender Accession Undertaking for the purposes of the Facilities Agreement by the Agent and as a Creditor/Agent Accession Undertaking for the purposes of and as defined in the Intercreditor Agreement by the Intercreditor Agent, and the Transfer Date is confirmed as [●].

Signature of this Agreement by the Agent constitutes confirmation by the Agent of receipt of notice of the assignment referred to herein, which notice the Agent receives on behalf of each Finance Party.

Agent

By:

Intercreditor Agent

By:

Note: It is the New Lender's responsibility to ascertain whether any other document is required, or any formality or other condition is required to be satisfied, to effect or perfect the transfer contemplated in this Assignment Agreement and Lender Accession Undertaking or to give the New Lender full enjoyment of all the Finance Documents (including the SCIH Guarantee).

Schedule 6
Form of Accession Letter

To: [●] as Agent and [●] as Intercreditor Agent
From: [Subsidiary] and Studio City Company Limited
Dated:

Dear Sirs

**Studio City Company Limited—Facilities Agreement dated [●]
(as amended and amended and restated from time to time) (the “Facilities Agreement”)**

1. We refer to the Facilities Agreement and to the Intercreditor Agreement (as defined in the Facilities Agreement). This deed (the “**Accession Deed**”) shall take effect as an Accession Letter for the purpose of the Facilities Agreement and as a Debtor Accession Deed for the purposes of the Intercreditor Agreement (and as defined in the Intercreditor Agreement). Terms defined in the Facilities Agreement have the same meaning in paragraphs 1 to 4 of this Accession Deed unless given a different meaning in this Accession Deed.
2. [Subsidiary] agrees to become an Additional Guarantor and to be bound by the terms of the Facilities Agreement and the other Finance Documents (other than the Intercreditor Agreement) as an Additional Guarantor pursuant to Clause 27.2 (*Additional Guarantors*) of the Facilities Agreement. [Subsidiary] is a company duly incorporated under the laws of [name of relevant jurisdiction] and is a limited liability company with registered number [●].
3. [Subsidiary's] administrative details are as follows:
Address:
Fax No.:
Attention
4. The Borrower and the Subsidiary make the Repeating Representations to the Finance Parties on the date of this Accession Deed.
5. [Subsidiary] (for the purposes of this paragraph 5, the “**Acceding Debtor**”) intends to give a guarantee, indemnity or other assurance against loss in respect of liabilities under the following documents:
[Insert details (date, parties and description) of relevant documents]
the “**Relevant Documents**”.

It is agreed as follows:

- (a) Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Agreement, bear the same meaning when used in this paragraph 5.
- (b) The Acceding Debtor and the Common Security Agent agree that the Common Security Agent shall hold:
 - (i) [any Security in respect of Liabilities created or expressed to be created pursuant to the Relevant Documents;

- (ii) all proceeds of that Security; and]*
- (iii) all obligations expressed to be undertaken by the Acceding Debtor to pay amounts in respect of the Liabilities to the Common Security Agent as trustee for the Secured Parties (in the Relevant Documents or otherwise) and secured by the Transaction Security together with all representations and warranties expressed to be given by the Acceding Debtor (in the Relevant Documents or otherwise) in favour of the Common Security Agent as trustee for the Secured Parties,
on trust for the Secured Parties on the terms and conditions contained in the Intercreditor Agreement.
- (c) The Acceding Debtor confirms that it intends to be party to the Intercreditor Agreement as a Debtor, undertakes to perform all the obligations expressed to be assumed by a Debtor under the Intercreditor Agreement and agrees that it shall be bound by all the provisions of the Intercreditor Agreement as if it had been an original party to the Intercreditor Agreement.
- (d) [In consideration of the Acceding Debtor being accepted as an Intra-Group Lender for the purposes of the Intercreditor Agreement, the Acceding Debtor also confirms that it intends to be party to the Intercreditor Agreement as an Intra-Group Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by an Intra-Group Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement].**

6. This Accession Deed and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with the laws of England and Wales.

This Accession Deed has been signed on behalf of the Intercreditor Agent and the Common Security Agent (each, for the purposes of paragraphs 5 and 6 above, only), signed by the Borrower and executed as a deed by [*Subsidiary*] and is delivered on the date stated above.

* Include to the extent that the Security created in the Relevant Documents is expressed to be granted to the Common Security Agent as trustee for the Secured Parties.

** Include this paragraph in the relevant Accession Deed if the Acceding Debtor is also to accede as an Intra-Group Lender to the Intercreditor Agreement.

[Subsidiary]
[Executed as a Deed]
By: [Full name of Subsidiary]

}
}
.....
Director

}
}
.....
Director/Secretary

or

[Executed as a Deed]
By: [Full name of Subsidiary]

}
}
.....
Signature of Director

}
}
.....
Name of Director

In the presence of:

.....
Signature of witness:
Name of witness:
Address of witness:
Occupation of witness:
Address for notices:
Address:
Fax:

By:
Date:

The Intercreditor Agent
[Full name of current Intercreditor Agent]

By:
Date:

The Common Security Agent
[Full name of current Common Security Agent]

By:
Date:

Schedule 7
Form of Resignation Letter

To: [●] as Agent and [●] as Intercreditor Agent
From: [resigning Obligor] and Studio City Company Limited
Dated:

Dear Sirs

Studio City Company Limited—Facilities Agreement dated [●]
(as amended and amended and restated from time to time) (the “Facilities Agreement”)

- 1. We refer to the Facilities Agreement. This is a Resignation Letter. Terms defined in or construed for the purposes of the Facilities Agreement have the same meaning in this Resignation Letter unless given a different meaning in this Resignation Letter.
- 2. Pursuant to Clause 27.4 (*Resignation of a Guarantor*) of the Facilities Agreement, we request that [resigning Obligor] be released from its obligations as a Guarantor under the Facilities Agreement and the Finance Documents.
- 3. We confirm that:
 - (a) [such release is conditional upon repayment or prepayment in full of the Facilities and the payment of all other amounts then due and payable under the Finance Documents and the cancellation of all Commitments under the Finance Documents;]
 - (b) [the Resigning Guarantor is being (or shares or equity interests in the Resigning Guarantor are being) disposed of (directly or indirectly) by way of a sale or disposal or reorganisation where such sale or disposal or reorganisation is expressly permitted under the Facilities Agreement or any other Finance Document in circumstances where the Resigning Guarantor will cease to be a member of the Group;]
[or]
 - (c) [the Lenders have consented to the resignation of the Resigning Guarantor]; [or]
- 4. We confirm that no Event of Default is continuing.
- 5. This Resignation Letter and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with the laws of England and Wales.

Studio City Company Limited

[Resigning Obligor]

By: _____
Date: _____

By: _____
Date: _____

Schedule 8
Forms of Notifiable Debt Purchase Transaction Notice

Part 1
Form of Notice on Entering into Notifiable Debt Purchase Transaction

To: [●] as Agent
From: [The Lender]
Dated:

Dear Sirs

Studio City Company Limited—Facilities Agreement dated [●]
(as amended and amended and restated from time to time) (the “Facilities Agreement”)

- 1. We refer to paragraph (b) of Clause 26.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates*) of the Facilities Agreement. Terms defined in the Facilities Agreement have the same meaning in this notice unless given a different meaning in this notice.
- 2. We have entered into a Notifiable Debt Purchase Transaction.
- 3. The Notifiable Debt Purchase Transaction referred to in paragraph 2 above relates to the amount of our Commitment(s) as set out below.

Commitment	Amount of our Commitment to which Notifiable Debt Purchase Transaction relates (HK\$)
Commitment	[insert amount of that Commitment to which the relevant Debt Purchase Transaction applies]

[Lender]

By:

Part 2
Form of Notice on Termination of Notifiable Debt Purchase Transaction/Notifiable Debt Purchase Transaction Ceasing to be with Sponsor Affiliate

To: [●] as Agent
From: [The Lender]
Dated:

Dear Sirs

**Studio City Company Limited—Facilities Agreement dated [●]
(as amended and amended and restated from time to time) (the “Facilities Agreement”)**

- 1. We refer to paragraph (b) of Clause 26.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates*) of the Facilities Agreement. Terms defined in the Facilities Agreement have the same meaning in this notice unless given a different meaning in this notice.
- 2. A Notifiable Debt Purchase Transaction which we entered into and which we notified you of in a notice dated [●] has [terminated]/[ceased to be with a Sponsor Affiliate].*
- 3. The Notifiable Debt Purchase Transaction referred to in paragraph 2 above relates to the amount of our Commitment(s) as set out below.

Commitment	Amount of our Commitment to which Notifiable Debt Purchase Transaction relates (HK\$)
Commitment	[insert amount of that Commitment to which the relevant Debt Purchase Transaction applies]

[Lender]

By:

* Delete as applicable

Schedule 9
Form of Increase Confirmation

To: [●] as Agent, [●] as Intercreditor Agent, Studio City Company Limited and Studio City Investments Limited (for and on behalf of itself and each other Obligor)

From: [the Increase Lender] (the **Increase Lender**)

Dated:

Dear Sirs

**Studio City Company Limited—Facilities Agreement dated [●]
(as amended and amended and restated from time to time) (the “Facilities Agreement”)**

1. We refer to the Facilities Agreement and to the Intercreditor Agreement (as defined in the Facilities Agreement). This agreement (the “**Agreement**”) shall take effect as an Increase Confirmation for the purpose of the Facilities Agreement and as a Creditor/Creditor Representative Accession Undertaking for the purposes of the Intercreditor Agreement (and as defined in the Intercreditor Agreement). Terms defined in or construed for the purposes of the Facilities Agreement have the same meaning in this Agreement unless given a different meaning in this Agreement.
2. We refer to Clause 2.2 (*Increase*) of the Facilities Agreement.
3. The Increase Lender agrees to assume and will assume all of the obligations corresponding to the Commitment specified in the Schedule (the “**Relevant Commitment**”) as if it was an Original Lender under the Facilities Agreement.
4. The proposed date on which such assumption in relation to the Increase Lender and the Relevant Commitment is to take effect (the “**Increase Date**”) is [●].
5. On the Increase Date, the Increase Lender becomes:
 - (a) party to the Facilities Agreement as a Lender, and becomes a Lender for the purposes of the each other Finance Document; and
 - (b) party to the Intercreditor Agreement as a Credit Facility Lender (as defined in the Intercreditor Agreement).
6. The Facility Office and address, fax number and attention details for notices to the Increase Lender for the purposes of Clause 33.2 (*Addresses*) of the Facilities Agreement are set out in the Schedule.
7. The Increase Lender expressly acknowledges the limitations on the Lenders’ obligations referred to in paragraph (g) of Clause 2.2 (*Increase*) of the Facilities Agreement.
8. The Increase Lender confirms that it is not a Sponsor Affiliate.
9. We refer to clauses 25.5 (*Change of Credit Facility Lender or Pari Passu Lender under an Existing Credit Facility or Pari Passu Facility*) and 25.14 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement:

In consideration of the Increase Lender being accepted as a Credit Facility Lender (as defined in the Intercreditor Agreement) for the purposes of the Intercreditor Agreement, the Increase Lender confirms that, as from the Increase Date, it intends to be party to the Intercreditor Agreement as a Credit Facility Lender and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Credit Facility Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.

-
10. This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on such counterparts were on a single copy of this Agreement.
 11. This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with the laws of England and Wales.
 12. This Agreement has been entered into on the date stated at the beginning of this Agreement.

The execution of this Increase Confirmation may not be sufficient for the Increase Lender to obtain the benefit of the Transaction Security in all jurisdictions. It is the responsibility of the Increase Lender to ascertain whether any other documents or other formalities are required to obtain the benefit of the Transaction Security in any jurisdiction and, if so, to arrange for execution of those documents and completion of those formalities.

SCHEDULE

Relevant Commitment/rights and obligations to be assumed by the Increase Lender

[insert relevant details]

[Facility office address, fax number and attention details for notices and account details for payments]

[Increase Lender]

By:

This Agreement is accepted as an Increase Confirmation for the purposes of the Facilities Agreement by the Agent and as a Creditor/Agent Accession Undertaking for the purposes of and as defined in the Intercreditor Agreement by the Intercreditor Agent, and the Increase Date is confirmed as [●].

Agent

By:

Intercreditor Agent

By:

Schedule 10
Covenants

1. Definitions and rules of construction

- (a) Terms used in this Schedule 10 shall, if not otherwise defined in this Schedule 10, have the meaning given to them in Schedule 11 (*Definitions*) and shall, if not otherwise defined in Schedule 11 (*Definitions*) have the meaning given to them elsewhere in this Agreement (including, without limitation, Clause 1.1 (*Definitions*)). References to a “Section” are to sections of this Schedule 10.
- (b) Each of the Parties acknowledges and agrees that the provisions of this Schedule 10 are not intended to (and shall not be construed so as to) permit any transaction, step, action or other matter that is otherwise prohibited by any other provisions of this Agreement.
- (c) Unless the context otherwise requires, in this Schedule 10:
 - (i) a term has the meaning assigned to it;
 - (ii) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;
 - (iii) “or” is not exclusive;
 - (iv) words in the singular include the plural, and in the plural include the singular;
 - (v) “will” shall be interpreted to express a command;
 - (vi) provisions apply to successive events and transactions; and
 - (vii) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

2. Limitation on Restricted Payments

- (a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly:
 - (i) declare or pay any dividend or make any other payment or distribution on account of the Company’s, the Parent Guarantor’s or any of its Restricted Subsidiaries’ Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Parent Guarantor or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company’s, the Parent Guarantor’s or any of its Restricted Subsidiaries’ Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Parent Guarantor and other than dividends or distributions payable to the Parent Guarantor or a Restricted Subsidiary);
 - (ii) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Parent Guarantor or the Company) any Equity Interests of the Parent Guarantor or the Company or any of their respective direct or indirect parents held by persons other than the Parent Guarantor or a Restricted Subsidiary (other than in exchange for Equity Interests (other than Disqualified Stock) of the Parent Guarantor);

(iii) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor (excluding any intercompany Indebtedness between or among the Parent Guarantor and any of its Restricted Subsidiaries) or the Intercompany Note Proceeds Loans, except a payment of interest or principal of the Intercompany Note Proceeds Loans at the Stated Maturity thereof; or

(iv) make any Restricted Investment,

(all such payments and other actions set forth in clauses (i) through (iv) above being collectively referred to as “**Restricted Payments**”), unless, at the time of and after giving effect to such Restricted Payment:

- (A) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;
- (B) the Parent Guarantor would, at the time of such Restricted Payment and after giving *pro forma* effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to Incur at least US\$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4(a) hereof; and
- (C) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Parent Guarantor and its Restricted Subsidiaries since the Measurement Date (excluding Restricted Payments permitted by clauses (ii) through (xii) of Section 2(b) below (or, in case of Restricted Payments made since the Measurement Date but prior to the date of this Agreement, permitted by the corresponding provisions of the 2016 Credit Facility Agreement)), is less than the sum, without duplication, of:
 - (I) 75% of the EBITDA of the Parent Guarantor *less* 2.00 times Fixed Charges of the Parent Guarantor for the period (taken as one accounting period) from 1 January 2019 to the end of the Parent Guarantor’s most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such EBITDA for such period is a deficit, *minus* 100% of such deficit); *plus*
 - (II) 100% of the aggregate net cash proceeds received by the Parent Guarantor since the Measurement Date as a contribution to its common equity capital or from the issue or sale of Equity Interests (other than Disqualified Stock) of the Parent Guarantor (in each case, other than in connection with any Excluded Contribution) or from the issue or sale of convertible or exchangeable Disqualified Stock or convertible or exchangeable debt securities of the Parent Guarantor that have been converted into or exchanged for such Equity Interests (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of the Parent Guarantor); *plus*

- (III) to the extent that any Restricted Investment that was made after the Measurement Date (x) is reduced as a result of payments of dividends to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor or (y) is sold for cash or otherwise liquidated or repaid for cash, (in the case of sub- clauses (x) and (y)) the lesser of (i) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (ii) the initial amount of such Restricted Investment or (z) is reduced upon the release of the guarantees and indemnities under this Agreement granted by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor that constituted a Restricted Investment, to the extent that the initial granting of such guarantee reduced the restricted payments capacity under this clause (C) (or, in case of a corresponding event occurring since the Measurement Date but prior to the date of this Agreement, plus such corresponding amount as provided for under the corresponding provision of the 2016 Credit Facility Agreement); *plus*
- (IV) to the extent that any Unrestricted Subsidiary of the Parent Guarantor designated as such after the Measurement Date is re-designated as a Restricted Subsidiary after the Measurement Date, the lesser of (i) the Fair Market Value of the Parent Guarantor's Restricted Investment in such Subsidiary as of the date of such re-designation or (ii) the Fair Market Value of the net aggregate Investments made by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor in such Unrestricted Subsidiary from the date such entity was originally designated as an Unrestricted Subsidiary through the date of such re-designation (or, in case of a corresponding event occurring since the Measurement Date but prior to the date of this Agreement, plus such corresponding amount as provided for under the corresponding provision of the 2016 Credit Facility Agreement); *plus*
- (V) 100% of the aggregate amount received from the sale of the stock of any Unrestricted Subsidiary of the Parent Guarantor after the Measurement Date or 100% of any dividends received by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor after the Measurement Date from an Unrestricted Subsidiary of the Parent Guarantor; *less*
- (VI) any amount paid by the Company pursuant to paragraph (b) of Clause 37.7 (*Cancellation and repayment of a Replaceable Lender (other than an Illegal Lender)*) of this Agreement or the corresponding provision of the 2016 Credit Facility Agreement.

(b) The provisions of Section 2(a) above will not prohibit:

- (i) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of this Agreement;

- (ii) the making of any Restricted Payment in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Parent Guarantor) of, Equity Interests of the Parent Guarantor (other than Disqualified Stock) or from the substantially concurrent contribution of common equity capital to the Parent Guarantor (in each case, other than in connection with any Excluded Contribution); *provided that* the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from clause (C)(II) of Section 2(a) hereof;
- (iii) the repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor with the net cash proceeds from a substantially concurrent Incurrence of Permitted Refinancing Indebtedness;
- (iv) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary to the holders of its Equity Interests on a *pro rata* basis;
- (v) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor held by any current or former officer, director or employee of the Parent Guarantor or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; *provided that* the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed US\$1.0 million in any twelve-month period;
- (vi) the repurchase of Equity Interests deemed to occur upon the exercise of stock options to the extent such Equity Interests represent a portion of the exercise price of those stock options;
- (vii) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor issued (x) on or after the date of this Agreement in accordance with the Fixed Charge Coverage Ratio test described in Section 4(a) hereof or (y) prior to the date of this Agreement but on or after 1 December 2016 in accordance with the corresponding requirement (if any) that applied as at such time under the 2016 Credit Facility Agreement;
- (viii) any Restricted Payment made or deemed to be made by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA;
- (ix) [Reserved];
- (x) Restricted Payments that are made with Excluded Contributions;
- (xi) payments to any parent entity in respect of directors' fees, remuneration and expenses (including director and officer insurance (including premiums therefore)) to the extent relating to the Parent Guarantor and its Subsidiaries, in an aggregate amount not to exceed US\$5.0 million per annum;

- (xii) the making of Restricted Payments, if applicable:
- (A) in amounts required for any direct or indirect parent of the Parent Guarantor to pay fees and expenses (including franchise or similar taxes) required to maintain its corporate existence, customary salary, bonus and other benefits payable to, and indemnities provided on behalf of, officers and employees of any direct or indirect parent of the Parent Guarantor and general corporate operating and overhead expenses of any direct or indirect parent of the Parent Guarantor in each case to the extent such fees and expenses are attributable to the ownership or operation of the Parent Guarantor, if applicable, and its Subsidiaries, in an aggregate amount not to exceed US\$5.0 million per annum;
 - (B) by way of payment under any Intercompany Note Proceeds Loan, in amounts required for any direct or indirect parent of the Parent Guarantor, if applicable, to pay interest and/or principal (including in case of any mandatory or optional redemption, open market purchases, or similar transactions permitted under the Notes) on (I) Indebtedness the proceeds of which have been contributed to the Parent Guarantor or any of its Restricted Subsidiaries or (II) Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness referred to in (I) above (or any such Indebtedness), in each case that has been guaranteed by, or is otherwise considered Indebtedness of, the Parent Guarantor Incurred in each case in accordance with Section 4; *provided that* the amount of any such proceeds will be excluded from clause (C)(II) of Section 2(a);
 - (C) in amounts required for any direct or indirect parent of the Parent Guarantor to pay fees and expenses, other than to Affiliates of the Parent Guarantor, related to any unsuccessful equity or debt offering of such parent; and
 - (D) payments for services under any Revenue Sharing Agreement that would constitute or be deemed to constitute a Restricted Payment;
- (xiii) [Reserved]
- (xiv) any Restricted Payments, to the extent required to be made (A) by (or to fund payments required to be made by) any Gaming Authority having jurisdiction over the Parent Guarantor or any of its Restricted Subsidiaries or Melco Resorts Macau (or any other operator of the Studio City Casino), (B) by any Gaming Law in place as of the date of this Agreement or (C) due to a change in, re-enactment of (or in the interpretation, implementation, administration or application of) any Gaming Law that occurs after the date of this Agreement;
- (xv) cash payments in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock of the Parent Guarantor or any Restricted Subsidiary; *provided*, however, that any such cash payment shall not be for the purpose of evading the limitation of this Section 2;
- (xvi) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor pursuant to provisions similar to those described under section 4.15 of the original form of the respective Senior Notes Indentures or section 4.16 of the original form of the Senior Secured 2027 Note Indenture; *provided that* the Company shall have first complied with its obligations under Clause 9.2 (*Change of Control, Change of Control (Mr. Ho), Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event*) of this Agreement and repaid and cancelled Indebtedness under the Finance Documents to the extent required by such Clause prior to repurchasing, redeeming, acquiring or otherwise retiring for value such Subordinated Indebtedness;

- (xvii) payments or distributions to dissenting stockholders of Capital Stock of the Parent Guarantor pursuant to applicable law in connection with a consolidation, merger or transfer of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, that complies with Section 13; *provided that* the Company shall have first complied with its obligations under Clause 9.2 (*Change of Control, Change of Control (Mr. Ho), Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event*) of this Agreement and repaid and cancelled Indebtedness under the Finance Documents to the extent required by such Clause prior to making such payment or distribution; and
- (xviii) other Restricted Payments in an aggregate amount not to exceed US\$15.0 million since the date of this Agreement, *provided, however, that* at the time of, and after giving effect to, any Restricted Payment permitted under clauses (xii), (xiii) and (xviii) of this Section 2(b), no Default shall have occurred and be continuing or would occur as a consequence thereof.
- (c) The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company, the Parent Guarantor or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this Section 2 will be determined by the Board of Directors of the Parent Guarantor or the Company whose resolution with respect thereto will be delivered to the Agent as set forth in an Officer's Certificate of the Parent Guarantor or the Company. The Parent Guarantor's or Company's Board of Directors' determination must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of international standing (an "**Independent Financial Advisor**") if the Fair Market Value exceeds US\$70.0 million.
- (d) Notwithstanding any other provision of any Finance Document, the Company will not declare or pay any dividend or make any other payment or distribution on account of the Company's Equity Interest or to the direct or indirect holders of the Company's Equity Interest in their capacity as such unless, at the date of declaration or notice and with reference to the latest the Annual Financial Statement or Quarterly Financial Statement, (x) the Consolidated Net Income of the Parent Guarantor is positive and (y) the aggregate amount of the Net Worth of the Parent Guarantor is equal to or greater than US\$400 million.

3. Dividend and Other Payment Restrictions Affecting Subsidiaries

- (a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause, permit or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:
 - (i) pay dividends or make any other distributions on its Capital Stock to the Parent Guarantor or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Parent Guarantor or any of its Restricted Subsidiaries;

- (ii) make loans or advances to the Parent Guarantor or any of its Restricted Subsidiaries; or
 - (iii) sell, lease or transfer any of its properties or assets to the Parent Guarantor or any of its Restricted Subsidiaries.
- (b) The restrictions in Section 3(a) hereof will not apply to encumbrances or restrictions existing under or by reason of:
- (i) agreements governing Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries or any other agreements in existence on the date of this Agreement as in effect on the date of this Agreement and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements on the date of this Agreement;
 - (ii) (A) the Finance Documents (including the Facilities) or (B) any Secured Obligations Documents (other than the Finance Documents) and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* such other Secured Obligations Documents and the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings thereof are not materially more restrictive, taken as a whole, with respect to such dividend and the other restrictions than those contained in the Finance Documents;
 - (iii) the Senior Notes Indentures, the Senior Notes and the Senior Notes Guarantees and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* such other instruments, notes and guarantees and the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings thereof are not materially more restrictive, taken as a whole, with respect to such dividend and the other restrictions than those contained in the Finance Documents;
 - (iv) applicable law, rule, regulation or order, or governmental license, permit or concession;
 - (v) any agreement or instrument governing Indebtedness or Capital Stock of a Person or assets acquired by the Parent Guarantor or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was Incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired (and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements or instruments; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements or instruments at the time of such acquisition); *provided further, that*, in the case of Indebtedness, such Indebtedness was permitted by the terms of this Agreement to be Incurred;

- (vi) customary non-assignment provisions in contracts and licenses including, without limitation, with respect to any intellectual property, entered into in the ordinary course of business;
- (vii) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in Section 3(a)(iii);
- (viii) any agreement for the sale or other disposition of Equity Interests or property or assets of a Restricted Subsidiary of the Parent Guarantor that restricts distributions by that Restricted Subsidiary pending the sale or other disposition;
- (ix) Permitted Refinancing Indebtedness; *provided that* the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;
- (x) Liens permitted to be incurred under the provisions of Section 7 hereof that limit the right of the debtor to dispose of the assets subject to such Liens;
- (xi) provisions limiting dividends or the disposition or distribution of assets, property or Equity Interests in joint venture or operating agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements, merger agreements and other similar agreements entered into with the approval of the Parent Guarantor's or the Company's Board of Directors, which limitation is applicable only to the assets, property or Equity Interests that are the subject of such agreements;
- (xii) restrictions on cash or other deposits or net worth imposed by customers or suppliers under contracts entered into in the ordinary course of business; and
- (xiii) any agreement or instrument with respect to any Unrestricted Subsidiary or the property or assets of such Unrestricted Subsidiary that is designated as a Restricted Subsidiary of the Parent Guarantor in accordance with the terms of this Agreement at the time of such designation and not incurred in contemplation of such designation, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Subsidiary or its subsidiaries or the property or assets of such Subsidiary or its subsidiaries, and any extensions, refinancing, renewals, supplements or amendments or replacements thereof; *provided that* the encumbrances and restrictions in any such extension, refinancing, renewal, supplement, amendment or replacement, taken as a whole, are no more restrictive in any material respect than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed, supplemented, amended or replaced.

4. Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock

- (a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Indebtedness (including Acquired Indebtedness) and the Parent Guarantor and the Company will not issue any shares of Disqualified Stock and the Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to issue any shares of Preferred Stock; *provided*, however, that the Parent Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue Disqualified Stock, and the Company or any Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue Preferred Stock, if the Fixed Charge Coverage Ratio of the Parent Guarantor for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred or such Disqualified Stock or Preferred Stock is issued, as the case may be, would have been at least 2.00 to 1.00 determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been Incurred, or the Disqualified Stock or Preferred Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.

- (b) The provisions of Section 4(a) hereof do not apply to the following (collectively, “**Permitted Debt**”):
- (i) the Incurrence by the Parent Guarantor, the Company and the Subsidiary Guarantors of Indebtedness under Credit Facilities (including the Facilities), *provided that* on the date of the Incurrence of any such Indebtedness and after giving effect thereto, the aggregate principal amount outstanding of all such Indebtedness Incurred pursuant to this clause (i) (together with any refinancing thereof) does not exceed the sum of: (A) (x) US\$35.0 million plus, (y) US\$100.0 million Incurred in respect of the Phase II Project: less (B), in the case of clause (i)(A)(y), the aggregate amount of all Net Proceeds of Asset Sales or any Compliance Sale applied since the date of this Agreement to repay any term Indebtedness Incurred pursuant to this clause (i)(A)(y) (or the corresponding provision of the 2016 Credit Facility Agreement) or to repay any revolving credit indebtedness Incurred under this clause (i)(A)(y) (or the corresponding provision of the 2016 Credit Facility Agreement) and effect a corresponding commitment reduction thereunder;
 - (ii) [Reserved];
 - (iii) (A) the Incurrence by the Parent Guarantor, the Company or the Subsidiary Guarantors of Indebtedness in an aggregate principal amount at any time outstanding, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (iii)(A), not to exceed the greater of (x) an amount equal to 3.5 times the EBITDA of the Parent Guarantor for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the relevant time of determination and (y) US\$1,200,000,000, and
(B) Indebtedness (including, for the avoidance of doubt, Indebtedness under Intercompany Note Proceeds Loans) existing on the date of this Agreement (other than the Indebtedness described in the provisions of the 2016 Credit Facility Agreement corresponding to clause (i) above and Indebtedness represented by the Senior Secured 2027 Notes and the Senior Secured 2027 Notes Guarantees) or Incurred under any Intercompany Note Proceeds Loan after the date of this Agreement;
 - (iv) the Incurrence of Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, Incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property, plant or other assets (including through the acquisition of Capital Stock of any person that owns property, plant or other assets which will, upon acquisition, become a Restricted Subsidiary) used in the business of the Parent Guarantor or any of its Restricted Subsidiaries, in an aggregate principal amount, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (iv), not to exceed the greater of (x) US\$50.0 million and (y) 2.0% of Total Assets at any time outstanding;

- (v) the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge Indebtedness that was permitted by this Agreement to be Incurred under Section 4(a) or clauses (iii)(B), (iv), (v) or (xv) of this Section 4(b);
- (vi) (A) Obligations in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance, bid, appeal and surety bonds and completion or performance guarantees (including the guarantee of any land grant) provided by the Company or any Restricted Subsidiary in connection with the Property or in the ordinary course of business and
(B) Indebtedness constituting reimbursement obligations with respect to letters of credit or trade or bank guarantees (including for land grants) issued in the ordinary course of business to the extent that such letters of credit, trade or bank guarantees (including for land grants) are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than thirty (30) days following receipt of a demand for reimbursement;
- (vii) the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Parent Guarantor and/or any of its Restricted Subsidiaries; *provided*, however, that:
 - (A) if the Company or any Guarantor is the obligor on such Indebtedness and the payee is not the Company or a Guarantor, such Indebtedness must be expressly subordinated to the prior payment in full in cash of all of the Facilities Liabilities; and
 - (B) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor and (ii) any sale or other transfer of any such Indebtedness to a Person that is not the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor, will be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Parent Guarantor or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (vii);
- (viii) shares of Preferred Stock of a Restricted Subsidiary issued to the Parent Guarantor or another Restricted Subsidiary of the Parent Guarantor; *provided that*:
 - (A) any subsequent issuance or transfer of Equity Interests that results in any such Preferred Stock being held by a Person other than the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor; and
 - (B) any sale or other transfer of any such Preferred Stock to a Person that is not the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor,will be deemed, in each case, to constitute an issuance of such Preferred Stock by such Restricted Subsidiary that was not permitted by clause (viii);

- (ix) subject to Clause 23.13 (*Hedging and Treasury Transactions*) of this Agreement, the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Hedging Obligations in the ordinary course of business and not for speculative purposes;
- (x) the guarantee by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor of Indebtedness of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor that was permitted to be Incurred by another provision of this Section 4; *provided that* if the Indebtedness being guaranteed is subordinated to or pari passu with the Facilities Liabilities, then the guarantee shall be subordinated or pari passu, as applicable, to the same extent as the Indebtedness guaranteed;
- (xi) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is extinguished within five (5) Business Days of its Incurrence;
- (xii) to the extent constituting Indebtedness, agreements to pay service fees to professionals (including architects, engineers, contractors and designers) in furtherance of and/or in connection with the Property or agreements to pay fees and expenses or other amounts pursuant to the Services and Right to Use Agreement or the MSA or otherwise arising under the Services and Right to Use Agreement or the MSA in the ordinary course of business; *provided that* no such agreements shall give rise to Indebtedness for borrowed money;
- (xiii) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from guarantees or letters of credit, surety bonds, or performance bonds securing any obligation of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor pursuant to such agreements, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or Capital Stock of a Restricted Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition; *provided that* the maximum aggregate liability in respect of all such Indebtedness shall at no time exceed the gross proceeds actually received in connection with such disposition;
- (xiv) Obligations in respect of Shareholder Subordinated Debt;
- (xv) any guarantees made solely in connection with (and limited in scope to) the giving of a Lien of the type specified in clause (22) of “Permitted Liens” to secure Indebtedness of an Unrestricted Subsidiary, the only recourse of which to the Parent Guarantor and its Restricted Subsidiaries is to the Equity Interests subject to the Liens;
- (xvi) the Incurrence by the Parent Guarantor, the Company or the Subsidiary Guarantors of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (xvi), not to exceed US\$100.0 million; and

- (xvii) the Incurrence by the Company or the Subsidiary Guarantors of additional Indebtedness in respect of the Phase II Project in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (xvii), not to exceed the greater of (x) 75% of the EBITDA of the Company for the most recently ended four full fiscal quarters for which internal financial statements are available (which figure shall be based on audited financial information, if for an annual period) and (y) US\$350.0 million.
- (c) The Parent Guarantor and the Company will not Incur, and the Parent Guarantor will not permit any Subsidiary Guarantor to Incur, any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Parent Guarantor, the Company or such Subsidiary Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the Facilities Liabilities on substantially identical terms; *provided*, however, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor solely by virtue of being unsecured or by virtue of being secured on a first or junior Lien basis.
- (d) For purposes of determining compliance with this Section 4, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (b)(i) through (xvii) above, or is entitled to be Incurred pursuant to clause (a) above, the Parent Guarantor and the Company will be permitted to classify such item of Indebtedness on the date of its Incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this Section 4. The accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of Preferred Stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock will not be deemed to be an Incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this Section 4; *provided*, in each such case, that the amount of any such accrual, accretion or payment is included in Fixed Charges of the Parent Guarantor as accrued. Notwithstanding any other provision of this Section 4, the maximum amount of Indebtedness that the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor may Incur pursuant to this Section 4 shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.
- (e) Further, for purposes of determining compliance with this covenant, to the extent the Parent Guarantor or any of its Restricted Subsidiaries (including the Company) guarantees Indebtedness of a direct or indirect parent entity to the extent otherwise permitted by this covenant, the on-loan by such direct or indirect parent entity to the Parent Guarantor or any of its Restricted Subsidiaries of all or a portion of the principal amount of such Indebtedness will not be double counted.
- (f) The amount of any Indebtedness outstanding as of any date will be:
- (i) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;
 - (ii) the principal amount of the Indebtedness, in the case of any other Indebtedness; and
 - (iii) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:
 - (A) the Fair Market Value of such assets at the date of determination; and
 - (B) the face amount of the Indebtedness of the other Person.

5. Asset Sales

- (a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale (other than an Event of Loss), unless:
 - (i) the Parent Guarantor, the Company or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and
 - (ii) at least 75% of the consideration received in the Asset Sale by the Parent Guarantor, the Company or such Restricted Subsidiary is in the form of cash. For purposes of this provision, each of the following will be deemed to be cash:
 - (A) any liabilities, as shown on the Parent Guarantor's most recent consolidated balance sheet, of the Parent Guarantor or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Facilities Liabilities) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Parent Guarantor or such Restricted Subsidiary from further liability;
 - (B) any securities, notes or other Obligations received by the Parent Guarantor or any such Restricted Subsidiary from such transferee that are, within 30 days of the receipt thereof, converted by the Parent Guarantor or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion; and
 - (C) any stock or assets of the kind referred to in Section 5(b)(ii) or (iv).
- (b) Within 360 days after the receipt of any Net Proceeds from an Asset Sale (including an Event of Loss), the Parent Guarantor, the Company or the applicable Restricted Subsidiary, as the case may be may apply such Net Proceeds:
 - (i) to repay (A) Indebtedness Incurred under Section 4(b)(i)(A), Section 4(b)(iii)(A) or Section 4(b)(xvii), and, in each case, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto (B) other Indebtedness of the Parent Guarantor, the Company or a Subsidiary Guarantor secured by property and assets that do not constitute Collateral and that are the subject of such Asset Sale, and, in each case, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto or (C) Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor;
 - (ii) to acquire all or substantially all of the assets of another Permitted Business, or any Capital Stock of, a Person undertaking another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary of the Parent Guarantor; *provided that* (A) such acquisition funded with any proceeds from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to acquire such assets or Capital Stock is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss, and (B) if such acquisition is not consummated within the period set forth in clause (A), the Net Proceeds not so applied will be deemed to be Excess Proceeds;

- (iii) to make a capital expenditure; *provided that* any such capital expenditure funded with any proceeds from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to make such capital expenditure is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss;
- (iv) to acquire other assets that are not classified as current assets under U.S. GAAP and that are used or useful in a Permitted Business (*provided that* (A) such acquisition funded from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to acquire such assets is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss, and (B) if such acquisition is not consummated within the period set forth in clause (A), the Net Proceeds not so applied will be deemed to be Excess Proceeds); and/or
- (v) or enter into a binding commitment regarding clauses (ii), (iii) or (iv) above (in addition to the binding commitments expressly referenced in those clauses); *provided that* such binding commitment shall be treated as a permitted application of Net Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated and (y) the 180th day following the expiration of the aforementioned 360-day period. To the extent such acquisition or expenditure is not consummated on or before such 180th day and the Parent Guarantor, the Company or such Restricted Subsidiary shall not have applied such Net Proceeds pursuant to clauses (ii), (iii) or (iv) above on or before such 180th day, such commitment shall be deemed not to have been a permitted application of Net Proceeds, and such Net Proceeds will constitute Excess Proceeds.
- (c) Pending the final application of any Net Proceeds, the Parent Guarantor may temporarily reduce its or any of its Restricted Subsidiaries' revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by this Agreement.

6. Transactions with Affiliates

- (a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Parent Guarantor or the Company (each, an "**Affiliate Transaction**"), unless:
 - (i) the Affiliate Transaction is on terms that are no less favorable to the Parent Guarantor, the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Parent Guarantor, the Company or such Restricted Subsidiary with a Person that is not an Affiliate of the Parent Guarantor or the Company; and
 - (ii) the Parent Guarantor or the Company delivers to the Agent:
 - (A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US\$55.0 million, a resolution of the Board of Directors of the Parent Guarantor or the Company set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with this Section 6(a) and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Parent Guarantor or the Company (as the case may be) or, if the Board of Directors of the Parent Guarantor or the Company (as the case may be) has no disinterested directors, approved in good faith by a majority of the members (or in the case of a single member, the sole member) of the Board of Directors of the Parent Guarantor or the Company (as applicable); and

- (B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US\$70.0 million, an opinion as to the fairness to the Parent Guarantor, the Company or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of international standing, or other recognized independent expert of national standing with experience appraising the terms and conditions of the type of transaction or series of related transactions.
- (b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 6(a) hereof:
- (i) any employment agreement, employee benefit plan (including compensation, retirement, disability, severance and other similar plan), officer or director indemnification, stock option or incentive plan or agreement, employee equity subscription agreement or any similar arrangement entered into by the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business and payments pursuant thereto;
 - (ii) transactions between or among the Parent Guarantor and/or its Restricted Subsidiaries;
 - (iii) transactions with a Person (other than an Unrestricted Subsidiary) that is an Affiliate of the Parent Guarantor or the Company solely because the Parent Guarantor or the Company (as the case may be) owns directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;
 - (iv) payment of reasonable officers' and directors' fees and reimbursement of expenses (including the provision of indemnity to officers and directors) to Persons who are not otherwise Affiliates of the Parent Guarantor or the Company;
 - (v) any issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor to Affiliates of the Parent Guarantor or contribution to the common equity capital of the Parent Guarantor;
 - (vi) Restricted Payments (including any payments made under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA) that do not violate Section 2 hereof;

- (vii) any agreement or arrangement existing on the date of this Agreement, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals (so long as any such agreement or arrangement together with all such amendments, modifications, supplements, extensions, replacements, terminations and renewals, taken as a whole, is not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the original agreement or arrangement as in effect on the date of this Agreement, unless any such amendments, modifications, supplements, extensions, replacements, terminations or renewals are imposed by any Gaming Authority or any other public authority, in each case having jurisdiction over the Studio City Casino, Melco Resorts Macau (or any other operator of the Studio City Casino), the Parent Guarantor or any of its Restricted Subsidiaries, including, but not limited to, the government of the Macau SAR);
- (viii) loans or advances to employees (including personnel who provide services to the Parent Guarantor or any of its Restricted Subsidiaries pursuant to the MSA) in the ordinary course of business not to exceed US\$2.0 million in the aggregate at any one time outstanding;
- (ix) [Reserved];
- (x) (A) transactions or arrangements under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof (so long as the Services and Right to Use Agreement and the Reinvestment Agreement, taken as a whole, or the MSA, respectively, together with all such amendments, modifications, supplements, extensions, replacements, terminations and renewals, taken as a whole, is not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the Services and Right to Use Agreement and the Reinvestment Agreement, taken as a whole, or the MSA, respectively, as in effect on the date of this Agreement or, as determined in good faith by the Board of Directors of the Parent Guarantor, does not have and would not reasonably be expected to have a Material Adverse Effect under paragraph (b) of the definition of “Material Adverse Effect” only) and (B) other than with respect to transactions or arrangements subject to clause (A) above, transactions or arrangements with customers, clients, suppliers or sellers of goods or services in the ordinary course of business, on terms that are fair to the Parent Guarantor or any of its Restricted Subsidiaries, as applicable, or are no less favorable than those that might reasonably have been obtained in a comparable transaction at such time on an arms-length basis from a Person that is not an Affiliate of the Parent Guarantor or the Company, in the case of each of (A) and (B), unless any such amendments, modifications, supplements, extensions, replacements, terminations or renewals are imposed by any Gaming Authority or any other public authority having jurisdiction over Melco Resorts Macau (or any other operator of the Studio City Casino), the Parent Guarantor or any of its Restricted Subsidiaries, including, but not limited to, the government of the Macau SAR;
- (xi) [Reserved];
- (xii) transactions or arrangements to be entered into in connection with the Property in the ordinary course of business (including, for the avoidance of doubt, transactions or arrangements necessary to conduct a Permitted Business) including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof; *provided that* such transactions or arrangements must comply with clauses (a)(i) and (a)(ii)(A) of Section 6 hereof;

- (xiii) transactions or arrangements duly approved by the Audit and Risk Committee of Studio City International (or any other committee of the board of directors of Studio City International so long as such committee consists entirely of independent directors) and the Company delivers to the Trustee a copy of the resolution of the Audit and Risk Committee of Studio City International (or, if applicable, such other committee) annexed to an Officer's Certificate certifying that such Affiliate Transaction complies with this clause (xiii) and that such Affiliate Transaction has been duly approved by the Audit and Risk Committee of Studio City International (or, if applicable, such other committee);
- (xiv) execution, delivery and performance of any tax sharing agreement or the formation and maintenance of any consolidated group for tax, accounting or cash pooling or management purposes; and
- (xv) provision by, between, among, to or from Persons who may be deemed Affiliates of group administrative, treasury, legal, accounting and similar services.

7. Liens

The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind securing Indebtedness on any asset now owned or hereafter acquired or any proceeds, income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens, or if such Lien is not a Permitted Lien, unless the Indebtedness incurred under the Facilities (as defined in Clause 1.1 (*Definitions*) of this Agreement) are secured on a *pari passu* basis with the obligations so secured until such time as such obligations are no longer secured by a Lien.

8. Business Activities

The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Business, except to such extent as would not be material to the Parent Guarantor and its Restricted Subsidiaries (taken as a whole).

9. Corporate Existence

Subject to Section 13 hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect:

- (a) its corporate existence, and the corporate, partnership or other existence of each of its Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Subsidiary; and
- (b) the rights (charter and statutory), licenses and franchises of the Company and its Subsidiaries; *provided*, however, that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Subsidiaries, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Lenders.

10. Designation of Restricted and Unrestricted Subsidiaries

- (a) The Board of Directors of the Parent Guarantor may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default; *provided that* in no event will the business currently operated by the Company, Studio City Developments Limited, SCE or Studio City Hotels Limited be transferred to or held by an Unrestricted Subsidiary. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Parent Guarantor and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under Section 2 hereof or under one or more clauses of the definition of Permitted Investments, as determined by the Parent Guarantor. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Parent Guarantor may re-designate any Unrestricted Subsidiary to be a Restricted Subsidiary if that re-designation would not cause a Default.
- (b) Any designation of a Subsidiary of the Parent Guarantor as an Unrestricted Subsidiary will be evidenced to the Agent by filing with the Agent a certified copy of a resolution of the Board of Directors of the Parent Guarantor giving effect to such designation and an Officer's Certificate of the Parent Guarantor certifying that such designation complied with the preceding conditions and was permitted by Section 2 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of this Agreement and any Indebtedness of such Subsidiary will be deemed to be Incurred by a Restricted Subsidiary of the Parent Guarantor as of such date and, if such Indebtedness is not permitted to be Incurred as of such date under Section 4 hereof, the Parent Guarantor and the Company will be in Default of such covenant. The Board of Directors of the Parent Guarantor may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Parent Guarantor; *provided that* such designation will be deemed to be an Incurrence of Indebtedness by a Restricted Subsidiary of the Parent Guarantor of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under Section 4 hereof, calculated on a *pro forma* basis as if such designation had occurred at the beginning of the reference period; and (2) no Default or Event of Default would be in existence following such designation. On such designation, the Parent Guarantor shall deliver an Officer's Certificate of the Parent Guarantor to the Agent regarding such designation and certifying that such designation complies with the preceding conditions and the relevant covenants under this Agreement.

11. Impairment of Security Interest

- (a) Subject to clauses (b) and (c) below, the Parent Guarantor and the Company will not, and the Parent Guarantor will not cause or permit any of its Restricted Subsidiaries to, take or knowingly omit to take, any action which action or omission would have the result of materially impairing the security interest over any of the assets comprising the Collateral (it being understood that the incurrence of Liens on the Collateral permitted by the last paragraph of the definition of Permitted Liens shall under no circumstances be deemed to materially impair the security interest with respect to the Collateral), for the benefit of the Agent, the Intercreditor Agent, the Common Security Agent and the Lenders (including the priority thereof).

- (b) Subject to the terms and conditions of the Intercreditor Agreement, at the request of the Parent Guarantor and without the consent of any Finance Party, the Agent may from time to time direct the Intercreditor Agent and/or the Common Security Agent (or direct the Intercreditor Agent to direct the Common Security Agent) to (and, acting on such direction the Intercreditor Agent and/or the Common Security Agent may, to the extent authorized and permitted by the Intercreditor Agreement) enter into one or more amendments to the Transaction Security Documents to: (i) cure any ambiguity, omission, defect or inconsistency therein; (ii) provide for any Permitted Liens; (iii) add to the Collateral or (iv) make any other change thereto that does not adversely affect the Lenders in any material respect; provided, however, that no Security Document may be amended, extended, renewed, restated, supplemented or otherwise modified or replaced, unless contemporaneously with such amendment, extension, renewal, restatement, supplement, modification or replacement, the Parent Guarantor delivers to the Agent, any of:
- (i) a solvency opinion, in form satisfactory to the Agent, from an Independent Financial Advisor confirming the solvency of the Parent Guarantor and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement;
 - (ii) a customary certificate from the Board of Directors or chief financial officer of the Parent Guarantor (acting in good faith), confirming the solvency of the Person granting such Lien after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement; or
 - (iii) an opinion of counsel, in form satisfactory to the Agent confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement, the Lien or Liens securing any of the Facilities Liabilities created under the Transaction Security Documents as so amended, extended, renewed, restated, supplemented, modified or replaced remain valid and perfected Liens not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification, replacement or release and retaking.
- (c) Nothing in this Section 11 will restrict and clause (b) above will not apply to (x) any release, amendment, extension, renewal, restatement, supplement, modification or replacement of any security interests in compliance with provisions of the Finance Documents governing the release of the Transaction Security, (y) any Permitted Land Concession Amendment or (z) any release, amendment, extension, renewal, restatement, supplement, modification or replacement of any security interests in connection with any Compliance Sale.
- (d) Subject to the terms and conditions of the Intercreditor Agreement, in the event that the Parent Guarantor complies with Section 11, the Agent and/or the Common Security Agent, as applicable, shall (or, if applicable, shall direct the Intercreditor Agent to) (subject to customary protections and indemnifications) consent to such amendment, extension, renewal, restatement, supplement, modification, replacement or release with no need for instructions from any Finance Party; provided such amendments do not impose any personal obligations on the Agent and/or the Common Security Agent and/or the Intercreditor Agent or adversely affect the rights, duties, liabilities or immunities of the Agent and/or the Common Security Agent and/or the Intercreditor Agent under the Finance Documents.

12. Suspension of Covenants

- (a) In this Section 12, “**Rated Liability**” means (i) any Financial Indebtedness outstanding under the Senior Secured 2027 Note Indenture or (ii) any Financial Indebtedness outstanding under any Pari Passu Debt Document in an aggregate principal amount of at least US\$400,000,000 and that is rated by S&P or Moody’s.

- (b) The following covenants (the “**Suspended Covenants**”) will not apply during any period during which all of the Rated Liabilities have an Investment Grade Status (a “**Suspension Period**”): Sections 2, 3, 4, 5, 6, 11 and (with respect to the Parent Guarantor and the Company) 13(a)(iii). Additionally, during any Suspension Period, neither the Parent Guarantor nor the Company will designate any Restricted Subsidiary as an Unrestricted Subsidiary. For the avoidance of doubt, a Suspension Period will not apply if there are no Rated Liabilities.
- (c) In the event that the Parent Guarantor and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of clause (b) above, and on any subsequent date (the “**Reversion Date**”) any Rated Liability ceases to have Investment Grade Status (or there cease to be any Rated Liabilities), then the Suspended Covenants will apply with respect to events occurring following the Reversion Date (unless and until a Suspension Period applies again, in which case the Suspended Covenants will again be suspended for such time that there are Rated Liabilities and all of the Rated Liabilities have an Investment Grade Status); *provided*, however, that no Default or Event of Default will be deemed to exist under this Agreement with respect to the Suspended Covenants, and none of the Parent Guarantor, the Company or any of their respective Subsidiaries will bear any liability for any actions taken or events occurring during a Suspension Period and before any related Reversion Date, or any actions taken at any time pursuant to any contractual obligation or binding commitment arising prior to such Reversion Date, regardless of whether those actions or events would have been permitted if the applicable Suspended Covenant had remained in effect during such period. The Company shall notify the Agent should a Suspension Period commence; *provided that* such notification shall not be a condition for the suspension of the covenants set forth above to be effective. The Agent shall have no duty to (i) monitor the Investment Grade Status of any Rated Liabilities, or (ii) ascertain whether either a Suspension Period or Reversion Date has occurred. The Agent shall be under no obligation to notify the Lenders that any Rated Liabilities have achieved Investment Grade Status.
- (d) On each Reversion Date, all Indebtedness Incurred during the Suspension Period prior to such Reversion Date will be deemed to be Indebtedness existing on the date of this Agreement. For purposes of calculating the amount available to be made as Restricted Payments under paragraph (C) in the list of exceptions to the covenant set out in Section 2(a) on or after the Reversion Date, calculations under such paragraph shall be made as though such covenant had been in effect during the entire period of time since the date of this Agreement (including the Suspension Period). Restricted Payments made during the Suspension Period not otherwise permitted pursuant to any of clauses (ii) through (vi) or (xviii) under Section 2(b) above will reduce the amount available to be made as Restricted Payments under clause paragraph (C) in the list of exceptions to the covenant set out in Section 2(a); *provided that* the amount available to be made as Restricted Payments on the Reversion Date shall not be reduced to below zero solely as a result of such Restricted Payments. In addition, for purposes of the other Suspended Covenants, all agreements entered into and all actions taken during the Suspension Period, including, without limitation, the Incurrence of Indebtedness shall be deemed to have been taken or to have existed prior to the date of this Agreement.

13. Merger, Consolidation, or Sale of Assets

- (a) Neither the Parent Guarantor nor the Company will, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Parent Guarantor or the Company survives); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person unless:

- (i) either:
 - (A) if the transaction or series of transactions is a consolidation of the Parent Guarantor or the Company with or a merger of the Parent Guarantor or the Company with or into any other Person, the Parent Guarantor or the Company, as the case may be, shall be the surviving entity of such merger or consolidation; or
 - (B) the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor or the Company) or to which such sale, assignment, transfer, conveyance or other disposition has been made shall be a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong SAR, Macau SAR, Singapore, United States, any state of the United States or the District of Columbia, and such Person shall expressly assume all the Obligations of the Parent Guarantor or the Company (as the case may be) under the Finance Documents pursuant to such accession documents or agreements that are reasonably satisfactory to the Agent, the Common Security Agent and the Intercreditor Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Liens created under the Transaction Security Documents on the Collateral owned by or transferred to the surviving Person;
 - (ii) immediately after such transaction, no Default or Event of Default exists;
 - (iii) the Parent Guarantor or the Company or, if applicable, the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor or the Company), or to which such sale, assignment, transfer, conveyance or other disposition has been made, would, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period, be permitted to Incur at least US\$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4(a) hereof; and
 - (iv) Clauses 22.10 ("*Know your customer*" checks) and 27 (*Changes to the Obligors*) of this Agreement are satisfied.
- (b) Subject to the Finance Documents, no Subsidiary Guarantor will, and the Parent Guarantor will not permit any Subsidiary Guarantor to, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not such Subsidiary Guarantor survives); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of such Subsidiary Guarantor in one or more related transactions, to another Person, unless:
- (i) either:
 - (A) if the transaction or series of transactions is a consolidation of such Subsidiary Guarantor with or a merger of such Subsidiary Guarantor with or into any other Person, such Subsidiary Guarantor shall be the surviving entity of such consolidation or merger; or

- (B) the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made shall be a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong SAR, Macau SAR, Singapore, United States, any state of the United States or the District of Columbia, and such Person shall expressly assume all the Obligations of such Subsidiary Guarantor under the Finance Documents pursuant to such accession documents or agreements that are reasonably satisfactory to the Agent, the Common Security Agent and the Intercreditor Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Liens created under the Transaction Security Documents on the Collateral owned by or transferred to the surviving Person;
- (ii) immediately after such transaction, no Default or Event of Default exists; and
- (iii) Clauses 22.10 ("*Know your customer*" checks) and 27 (*Changes to the Obligors*) of this Agreement are satisfied, *provided*, however, that the provisions of this Section 13(b) shall not apply if such Subsidiary Guarantor is released from its obligations as a Guarantor as a result of such consolidation, merger, sale or other disposition pursuant to the Finance Documents.
- (c) This Section 13 will not apply to:
 - (i) a merger of the Company or a Guarantor, as the case may be, with an Affiliate solely for the purpose of reincorporating the Company or a Guarantor, as the case may be, in another jurisdiction; or
 - (ii) any consolidation or merger, or any sale, assignment, transfer, conveyance, or other disposition of assets between or among the Company and the Guarantors or between or among the Guarantors.
- (d) Upon consummation of any consolidation or merger, or any sale, assignment, transfer, conveyance, or other disposition of assets by a Subsidiary Guarantor with or into the Company or another Guarantor in accordance with this Section 13 which results in a Subsidiary Guarantor distributing all of its assets (other than *de minimis* assets required by law to maintain its corporate existence) to the Company or another Guarantor, such transferring Subsidiary Guarantor may be wound up pursuant to a solvent liquidation or solvent reorganization; *provided that* it shall have no third party recourse Indebtedness or be the obligor under any intercompany Indebtedness.

Schedule 11
Definitions

“2025 Notes” means:

(1) the USD500,000,000 aggregate principal amount of 6.000% senior notes due 2025 issued by the Senior Notes Issuer as issuer pursuant to the 2025 Notes Indenture; and

(2) any additional notes issued by the Senior Notes Issuer as issuer pursuant to the 2025 Notes Indenture as part of the same series of the senior notes issued under paragraph (1) above, provided that the Senior Notes Issuer and the Parent Guarantor have confirmed to the Agent in writing that the incurrence of those notes will not breach the terms of any of the Finance Documents or any of the then existing Secured Obligations Documents.

“2025 Notes Guarantees” means the “Notes Guarantee” as defined in the 2025 Notes Indenture.

“2025 Notes Indenture” means the indenture governing the 2025 Notes dated July 15, 2020 and made between, among others, the Senior Notes Issuer and the 2025 Notes Trustee, as amended or supplemented from time to time.

“2025 Notes Trustee” means the notes trustee in respect of the 2025 Notes.

“2028 Notes” means:

(1) the USD500,000,000 aggregate principal amount of 6.500% senior notes due 2028 issued by the Senior Notes Issuer as issuer pursuant to the 2028 Notes Indenture; and

(2) any additional notes issued by the Senior Notes Issuer as issuer pursuant to the 2028 Notes Indenture as part of the same series of the senior notes issued under paragraph (1) above, provided that the Senior Notes Issuer and the Parent Guarantor have confirmed in writing to the Agent that the incurrence of those notes will not breach the terms of any of the Finance Documents or any of the then existing Secured Obligations Documents.

“2028 Notes Guarantees” means the “Notes Guarantee” as defined in the 2028 Notes Indenture.

“2028 Notes Indenture” means the indenture governing the 2028 Notes dated July 15, 2020 and made between, among others, the Senior Notes Issuer and the 2028 Notes Trustee, as amended or supplemented from time to time.

“2028 Notes Trustee” means the notes trustee in respect of the 2028 Notes.

“2029 Notes” means:

(1) the USD750,000,000 aggregate principal amount of 5.000% senior notes due 2029 issued by the Senior Notes Issuer as issuer pursuant to the 2029 Notes Indenture; and

(2) any additional notes issued by the Senior Notes Issuer as issuer pursuant to the 2029 Notes Indenture as part of the same series of the senior notes issued under paragraph (1) above, provided that the Senior Notes Issuer and the Parent Guarantor have confirmed in writing to the Agent that the incurrence of those notes will not breach the terms of any of the Finance Documents or any of the then existing Secured Obligations Documents.

“2029 Notes Guarantees” means the “Note Guarantee” as defined in the 2029 Notes Indenture.

“2029 Notes Indenture” means the indenture governing the 2029 Notes dated January 14, 2021 and made between, among others, the Senior Notes Issuer and the 2029 Notes Trustee, as amended or supplemented from time to time.

“2029 Notes Trustee” means the notes trustee in respect of the 2029 Notes.

“*Acquired Indebtedness*” means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is Incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

“*Additional Intercreditor Agreement*” means any intercreditor agreement entered into in connection with the Incurrence of any Indebtedness that is permitted to share the Collateral or that is otherwise permitted to be incurred under the Finance Documents, by the Company, the relevant Guarantors, the Agent, the Security Agent and the Intercreditor Agent (without the consent of the Finance Parties) on terms substantially similar to the Intercreditor Agreement (or on terms more favorable to the Finance Parties) or an accession or amendment to or an amendment and restatement of the Intercreditor Agreement (which accession or amendment does not adversely affect the rights of the Finance Parties).

“*Affiliate*” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “*control*,” as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided that* beneficial ownership of 10% or more of the Voting Stock of a Person will be deemed to be control. For purposes of this definition, the terms “*controlling*,” “*controlled by*” and “*under common control with*” have correlative meanings.

“*Asset Sale*” means:

(1) the sale, lease, conveyance or other disposition of any assets or rights; *provided that* the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole will be governed by Clause 9.2 (*Change of Control, Change of Control (Mr. Ho), Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event*) of this Agreement and/or the provisions of this Agreement described in Section 13 of Schedule 10 (*Covenants*) and not by the provisions of Section 5 of Schedule 10 (*Covenants*);

(2) the issuance of Equity Interests in any of the Restricted Subsidiaries of the Parent Guarantor or the sale of Equity Interests in any of the Parent Guarantor’s Subsidiaries; and

(3) any Event of Loss.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than US\$5.0 million;

(2) a transfer of assets between or among the Parent Guarantor and its Restricted Subsidiaries;

(3) an issuance of Equity Interests by a Restricted Subsidiary of the Parent Guarantor to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor;

(4) the sale, license, transfer, lease (including the right to use) or other disposal of products, services, rights, accounts receivable, undertakings, establishments or other current assets or cessation of any undertaking or establishment in the ordinary course of business (including pursuant to any shared services agreements (including the MSA), Revenue Sharing Agreement or any construction and development activities) and any sale or other disposition of damaged, worn-out, surplus or obsolete assets (or the dissolution of any Dormant Subsidiary) in the ordinary course of business;

(5) the sale or other disposition of cash or Cash Equivalents;

(6) any transfer, termination or unwinding or other disposition of Hedging Obligations in the ordinary course of business;

(7) a transaction covered under Clause 9.2 (*Change of Control, Change of Control (Mr. Ho), Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event*) of this Agreement or Section 13 of Schedule 10 (*Covenants*);

(8) the lease of, right to use or equivalent interest under the laws of Macau SAR on that portion of real property granted to Studio City Developments Limited pursuant to the applicable land concession granted by the government of the Macau SAR in connection with the development of the Phase II Project in accordance with such applicable land concession;

(9) a Restricted Payment that does not violate the provisions of Section 2 of Schedule 10 (*Covenants*) or a Permitted Investment, and any other payment under the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA and any transactions or arrangements involving contractual rights under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof;

(10) (i) the lease, sublease, license or right to use of any portion of the Property to persons who, either directly or through Affiliates of such persons, intend to develop, operate or manage gaming, hotel, nightclubs, bars, restaurants, malls, amusements, attractions, recreation, spa, pool, exercise or gym facilities, or entertainment facilities or venues or retail shops or venues or similar or related establishments or facilities within the Property and (ii) the grant of declarations of covenants, conditions and restrictions and/or easements or other rights to use with respect to common area spaces and similar instruments benefiting such tenants of such lease, subleases licenses and rights to use generally and/or entered into connection with the Property (collectively, the “*Venue Easements*”); *provided that* no Venue Easements or operations conducted pursuant thereto would reasonably be expected to materially interfere with, or materially impair or detract from, the operation of the Property;

(11) the dedication of space or other dispositions of property in connection with and in furtherance of constructing structures or improvements reasonably related to the development, construction and operation of the Property; *provided that* in each case such dedication or other disposition is in furtherance of, and does not materially impair or interfere with the use or operations (or intended use or operations) of, the Property;

(12) the granting of easements, rights of way, rights of access and/or similar rights to any governmental authority, utility providers, cable or other communication providers and/or other parties providing services or benefits to the Property, the real property held by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor or the public at large that would not reasonably be expected to interfere in any material respect with the construction, development or operation of the Property;

(13) the granting of a lease, right to use or equivalent interest to Melco Resorts Macau or Melco Resorts or any of its Affiliates for purposes of operating a gaming facility at Studio City, including under the Services and Right to Use Agreement and any related agreements, or any transactions or arrangements contemplated thereby;

(14) the grant of licenses to intellectual property rights to third Persons (other than Affiliates of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor) on an arm's length basis in the ordinary course of business or to Melco Resorts Macau, Melco Resorts and its Affiliates in the ordinary course of business;

(15) any Compliance Sale, provided that the following conditions are satisfied:

- (A) the Company, the Parent Guarantor or a Restricted Subsidiary, as the case may be, receives consideration at the time of such Compliance Sale equal to (i) such price as is necessary or appropriate under or in connection with the applicable Gaming Law, as determined by the Board of Directors of the Company in good faith, evidenced by an Officer's Certificate delivered by the Company to the Agent; or alternatively (ii) the Fair Market Value of the assets or rights sold, transferred or otherwise disposed of; and
- (B) to the extent applicable, such Compliance Sale is consummated in compliance with the terms of the covenant set forth under Section 6 (*Transactions with Affiliates*) of Schedule 10 (*Covenants*);

(16) transfers, assignments or dispositions constituting an Incurrence of a Permitted Lien (but not the actual sale or other disposition of the property subject to such Lien); and

(17) any surrender or waiver of contractual rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business.

"*Beneficial Owner*" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning.

"*Board of Directors*" means:

- (1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;
- (2) with respect to a partnership, the Board of Directors of the general partner of the partnership;
- (3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and
- (4) with respect to any other Person, the board or committee of such Person serving a similar function.

"*Business Day*" means any day other than a Legal Holiday.

“*Capital Lease Obligation*” means, at the time any determination is to be made, the amount of the liability in respect of a finance or capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with U.S. GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

“*Capital Stock*” means:

- (1) in the case of a corporation, corporate stock or shares;
- (2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;
- (3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and
- (4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

“*Cash Equivalents*” means:

- (1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (*provided that* the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than six months from the date of acquisition;
- (2) demand deposits, certificates of deposit, time deposits and eurodollar time deposits with maturities of 12 months or less from the date of acquisition, bankers’ acceptances with maturities not exceeding six months and overnight bank deposits, in each case, with any commercial bank organized under the laws of Macau SAR, Hong Kong SAR, a member state of the European Union or of the United States of America or any state thereof having capital and surplus in excess of US\$500.0 million (or the foreign currency equivalent thereof as of the date of such investment) and whose long-term debt is rated “A-3” or higher by Moody’s or “A-” or higher by S&P or the equivalent rating category or another internationally recognized rating agency (or, in case of any interest reserve or accrual account or debt service reserve account operated in respect of any *Pari Passu* Debt Liabilities, any bank which the Company maintains such account, in each case pursuant to the terms of the document governing such account);
- (3) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (1) and (2) above entered into with any financial institution meeting the qualifications specified in clause (2) above;
- (4) commercial paper having one of the two highest ratings obtainable from Moody’s or S&P and, in each case, maturing within 12 months after the date of acquisition; and
- (5) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (4) of this definition.

“*Casualty*” means any casualty, loss, damage, destruction or other similar loss with respect to real or personal property or improvements.

“Change of Control” means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Parent Guarantor and its Subsidiaries taken as a whole to any “person” or “group” (as such terms are used in Section 13(d) of the Exchange Act) (other than Melco Resorts or a Related Party of Melco Resorts);

(2) the adoption of a plan relating to the liquidation or dissolution of the Parent Guarantor or the Company;

(3) the first day on which:

- (a) (i) for so long as Melco Resorts is authorized by the relevant Gaming Authority (and not prohibited by any other applicable Governmental Authority) to hold less than 50.1% of the outstanding Equity Interests in Studio City International, Melco Resorts ceases to own, directly or indirectly, at least the greater of (x) such lesser percentage as the relevant Gaming Authority or other applicable Governmental Authority shall specify and (y) 35%, of the outstanding Equity Interests and/or Voting Stock of each of the Parent Guarantor and SCH5 (and any Person which becomes a “Golden Shareholder” and/or a “Preference Holder” under the Direct Agreement pursuant to the terms thereof, if any (each, a “**Relevant DA Person**”)) or (ii) in the event paragraph (a)(i) above does not apply, Melco Resorts ceases to own, directly or indirectly, a majority of the outstanding Equity Interests and/or Voting Stock of each of the Parent Guarantor, SCH5 and any Relevant DA Person;
- (b) Melco Resorts ceases to own, directly or indirectly, 50.1% or more of the outstanding Equity Interests in Melco Resorts Macau (or another operator of the Studio City Casino); or
- (c) Melco Resorts ceases to have, directly or indirectly (through a Subsidiary), the power to nominate a number of directors on the Board of Directors of the Parent Guarantor who are entitled to cast a majority of the votes which may be cast at a meeting of the Board of Directors of the Parent Guarantor; or

(4) the first day on which the Parent Guarantor ceases to:

- (a) own, directly or indirectly (through a subsidiary), 100% of the outstanding Equity Interests and/or Voting Stock of the Company; or
- (b) have, directly or indirectly (through a Subsidiary), the power to nominate a number of directors on the Board of Directors of the Company who are entitled to cast a majority of the votes which may be cast at a meeting of the Board of Directors of the Company.

“Collateral” means the Charged Property and other rights, property and assets securing the Facilities Liabilities and any rights, property and assets in which a security interest has been or will be granted on 1 December 2016 or thereafter to secure the Facilities Liabilities.

“Common Collateral” means the Collateral other than the Credit Specific Transaction Security.

“*Company*” means Studio City Company Limited, and any and all successors thereto.

“*Compliance Sale*” means a sale, transfer or disposition of that part of the Property comprising or elected to be added to the Studio City Casino, including any areas designated as or elected to be designated as gaming areas, gaming support areas and/or common areas, or a portion thereof, owned by Studio City Developments Limited which the Gaming Laws (as a result of such designation or election) then in effect require either the government of Macau or Melco Resorts Macau (or another gaming operator operating the Studio City Casino) to be the owner or joint-owner of and only to the extent so required, together with any rights associated thereto, to either the government of Macau or Melco Resorts Macau (or any other gaming operator operating the Studio City Casino), as applicable.

“*Condemnation*” means any taking by a Governmental Authority of assets or property, or any part thereof or interest therein, for public or quasi-public use under the power of eminent domain, by reason of any public improvement or condemnation or in any other manner.

“*Consolidated Net Income*” means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with U.S. GAAP; *provided that*:

(1) the Net Income (or loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions actually paid in cash to, or the amount of loss actually funded in cash by, the specified Person or a Restricted Subsidiary of the Person;

(2) the Net Income of any Restricted Subsidiary that is not a Subsidiary Guarantor will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders; *provided*, however, that Consolidated Net Income of the specified Person will be increased by the amount of dividends or similar contributions actually paid in cash (or to the extent converted into cash) to the specified Person or any of its Restricted Subsidiaries that is a Subsidiary Guarantor, to the extent not already included therein;

(3) the cumulative effect of a change in accounting principles will be excluded; and

(4) charges or expenses related to deferred financing fees and Indebtedness issuance costs, including related commissions, fees and expenses, premiums paid or other expenses incurred directly in connection with any early extinguishment of Indebtedness and any net gain (loss) from any write-off, extinguishment, repurchase, cancellation or forgiveness of Indebtedness will be excluded.

“*Credit Facilities*” means one or more debt facilities (including, without limitation, the Facilities), indentures or commercial paper facilities, in each case, with banks or other lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables), letters of credit or other forms of Indebtedness, in each case, as amended, restated, modified, renewed, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to investors) in whole or in part from time to time; *provided* that in no event shall such amendment, restatement, modification, renewal, refunding, replacement or refinancing result in the Parent Guarantor and its Restricted Subsidiaries not having any debt facilities which would have the effect of impairing any security interest over any of the assets comprising the Collateral for the benefit of the Finance Parties (including the priority thereof).

“Credit-Specific Transaction Security” means:

(1) the Lien over the Rolled Loan Cash Collateral Account; and

(2) the Lien over any interest reserve or accrual account or debt service reserve account operated in respect of any Pari Passu Debt Liabilities.

“Direct Agreement” means the direct agreement dated November 26, 2013, in relation to (a) the Services and Right to Use Agreement and (b) the Reinvestment Agreement, as amended, restated, modified, supplemented, extended, replaced (whether upon or after termination or otherwise or whether with the original or other relevant parties) or renewed in whole or in part from time to time.

“Disqualified Stock” means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the last Final Repayment Date of the Facilities. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Parent Guarantor to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Parent Guarantor may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 2 of Schedule 10 (*Covenants*). The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Agreement will be the maximum amount that the Parent Guarantor may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

“Dormant Subsidiary” means a Restricted Subsidiary of the Parent Guarantor which does not trade (for itself or as agent for any other person) and does not own, legally or beneficially, assets (including, without limitation, Indebtedness owed to it) which in aggregate have a book value greater than US\$100,000 and has no third-party recourse Indebtedness or intercompany Indebtedness with the Parent Guarantor or any other Restricted Subsidiary.

“EBITDA” means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period *plus*, without duplication:

(1) an amount equal to any extraordinary loss *plus* any net loss realized by such Person or any of its Restricted Subsidiaries in connection with an Asset Sale, to the extent such losses were deducted in computing such Consolidated Net Income; *plus*

(2) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; *plus*

(3) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; *plus*

(4) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period), of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; *plus*

(5) any non-cash compensation charge arising from any grant of stock, stock options or other equity based awards; plus

(6) Pre-Opening Expenses, to the extent such expense were deducted in computing Consolidated Net Income; plus

(7) any goodwill or other intangible asset impairment charge; plus

(8) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business,

in each case, on a consolidated basis and determined in accordance with U.S. GAAP.

Notwithstanding the preceding, the provision for taxes based on the income or profits of, and the depreciation and amortization and other non-cash expenses of, a Restricted Subsidiary of the Parent Guarantor will be added to Consolidated Net Income to compute EBITDA of the Parent Guarantor only to the extent that a corresponding amount was included in the calculation of Consolidated Net Income.

“*Equity Interests*” means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

“*Equity Offering*” means any public sale or private issuance of Capital Stock (other than Disqualified Stock) of (1) the Parent Guarantor or (2) a direct or indirect parent of the Parent Guarantor to the extent the net proceeds from such issuance are contributed in cash to the common equity capital of the Parent Guarantor (in each case other than pursuant to a registration statement on Form S-8 or otherwise relating to equity securities issuable under any employee benefit plan of the Parent Guarantor).

“*Event of Loss*” means, with respect to the Parent Guarantor, the Company, any Subsidiary Guarantor or any Restricted Subsidiary of the Parent Guarantor that is a Significant Subsidiary, any (1) Casualty, (2) Condemnation or seizure (other than pursuant to foreclosure) or (3) settlement in lieu of clause (2) above, in each case having a fair market value in excess of US\$20.0 million.

“*Excess Proceeds*” means any Net Proceeds from Asset Sales that are not applied or invested as provided in Section 5(b) of Schedule 10 (*Covenants*).

“*Exchange Act*” means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

“*Excluded Contributions*” means the net cash proceeds received by the Parent Guarantor subsequent to the date of this Agreement from:

(1) contributions to its common equity capital; and

(2) the issuance or sale (other than to a Subsidiary of the Parent Guarantor or to any Parent Guarantor or Subsidiary management equity plan or stock option plan or any other management or employee benefit plan or agreement) by the Parent Guarantor of shares of its Capital Stock (other than Disqualified Stock) or a share capital increase;

in each case, designated as Excluded Contributions on the date on which such Excluded Contributions were received pursuant to an Officer’s Certificate, and excluded from the calculation set forth in clause (C)(II) of Section 2(a) of Schedule 10 (*Covenants*).

“*Facilities Liabilities*” means the Liabilities (as defined in Clause 1.1 (*Definitions*) of this Agreement) owed by the Obligors to the Finance Parties under or in connection with the Finance Documents.

“*Fair Market Value*” means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Parent Guarantor or the Company, as the case may be (unless otherwise provided in this Agreement).

“*Fixed Charge Coverage Ratio*” means with respect to any specified Person for any period, the ratio of EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the “*Calculation Date*”), then the Fixed Charge Coverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Preferred Stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date will be given pro forma effect (in accordance with Regulation S-X under the Securities Act) as if they had occurred on the first day of the four-quarter reference period;

(2) the EBITDA attributable to discontinued operations, as determined in accordance with U.S. GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with U.S. GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the Obligations giving rise to such Fixed Charges will not be Obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months).

“*Fixed Charges*” means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt discount (but not (i) debt issuance costs, commissions, fees and expenses or (ii) amortization of discount on the Intercompany Note Proceeds Loans (if any)), non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges Incurred in respect of letter of credit or bankers’ acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates; *plus*

(2) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period; *plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries (other than Indebtedness secured by a Lien of the type specified in clause (22) of the definition of “Permitted Liens”), whether or not such Guarantee or Lien is called upon; *plus*

(4) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of Preferred Stock of such Person or any of its Restricted Subsidiaries, other than dividends on Equity Interests payable solely in Equity Interests of such Person (other than Disqualified Stock) or to such Person or a Restricted Subsidiary of such Person, *times* (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with U.S. GAAP.

“*Gaming Authorities*” means the applicable gaming board, commission, or other governmental gaming regulatory body or agency which (a) has, or may at any time after the date of this Agreement have, jurisdiction over the gaming activities (i) at the Studio City Casino, (ii) of Melco Resorts Macau (or any other operator of the Studio City Casino including Melco Resorts or any of its Affiliates) or (iii) of the Parent Guarantor or any of its Subsidiaries, or any successor to such authority or (b) is, or may at any time after the date of this Agreement be, responsible for interpreting, administering and enforcing the Gaming Laws.

“*Gaming Laws*” means all applicable constitutions, treatises, resolutions, laws, regulations, instructions and statutes pursuant to which any Gaming Authority possesses regulatory, licensing or permit authority over gaming, gambling or casino activities, and all rules, rulings, orders, ordinances, regulations of any Gaming Authority applicable to the gambling, casino, gaming businesses or activities (i) at the Studio City Casino, (ii) of Melco Resorts Macau (or any other operator of the Studio City Casino including Melco Resorts or any of its Affiliates) or (iii) of the Parent Guarantor or any of its Subsidiaries in any jurisdiction, as in effect from time to time, including the policies, interpretations and administration thereof by the Gaming Authorities.

“*Gaming Licenses*” means any concession, license, permit, franchise or other authorization at any time required under any Gaming Laws to own, lease, operate or otherwise conduct the gaming business (i) at the Studio City Casino or (ii) of Melco Resorts Macau.

“*Governmental Authority*” means the government of the Macau SAR or any other territory, nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“*Guarantee*” means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

“*Hedging Obligations*” means, with respect to any specified Person, the obligations of such Person under:

- (1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;
- (2) other agreements or arrangements designed to manage interest rates or interest rate risk; and
- (3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

“*Incur*” means, with respect to any Indebtedness, Capital Stock or other Obligation of any Person, to create, issue, assume, guarantee, incur (by conversion, exchange, or otherwise) or otherwise become liable in respect of such Indebtedness, Capital Stock or other Obligation or the recording, as required pursuant to U.S. GAAP or otherwise, of any such Indebtedness or other Obligation on the balance sheet of such Person. Indebtedness or Capital Stock otherwise Incurred by a Person before it becomes a Restricted Subsidiary of the Parent Guarantor shall be deemed to be Incurred at the time at which such Person becomes a Restricted Subsidiary of the Parent Guarantor. The accretion of original issue discount, the accrual of interest, the accrual of dividends, the payment of interest in the form of additional Indebtedness and the payment of dividends on Preferred Stock in the form of additional shares of Preferred Stock shall not be considered an Incurrence of Indebtedness.

“*Indebtedness*” means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

- (1) in respect of borrowed money;
- (2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);
- (3) in respect of banker’s acceptances;
- (4) representing Capital Lease Obligations;
- (5) representing the balance deferred and unpaid of the purchase price of any property or services due more than one year after such property is acquired or such services are completed; or
- (6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with U.S. GAAP. In addition, the term “Indebtedness” includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person.

Notwithstanding the foregoing, “Indebtedness” will not include (i) any capital commitments, deposits or advances from customers or any contingent obligations to refund payments (including deposits) to customers (or any guarantee thereof), (ii) obligations of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor to pay the deferred and unpaid purchase price of property or services due to suppliers of equipment or other assets (including parts thereof) not more than one year after such property is acquired or such services are completed and the amount of unpaid purchase price retained by the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business in connection with an acquisition of equipment or other assets (including parts thereof) pending full operation or contingent on certain conditions during a warranty period of such equipment or assets in accordance with the terms of the acquisition; *provided* that, in each case of (i) or (ii), such Indebtedness is not reflected as borrowings on the consolidated balance sheet of the Parent Guarantor (contingent obligations and commitments referred to in a footnote to financial statements and not otherwise reflected as borrowings on the balance sheet will not be deemed to be reflected on such balance sheet), or (iii) any lease of property which would be considered an operating lease under U.S. GAAP and any guarantee given by the Parent Guarantor or a Restricted Subsidiary in the ordinary course of business solely in connection with, or in respect of, the obligations of the Parent Guarantor or a Restricted Subsidiary under any operating lease.

The amount of Indebtedness of any Person at any time shall be the outstanding balance at such time of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided* that:

(A) the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with U.S. GAAP;

(B) money borrowed and set aside at the time of the Incurrence of any Indebtedness in order to prefund the payment of the interest on such Indebtedness shall not be deemed to be “Indebtedness” so long as such money is held to secure the payment of such interest; and

(C) that the amount of or the principal amount of Indebtedness with respect to any Hedging Obligation shall be equal to the net amount payable if such Hedging Obligation terminated at or prior to that time due to a default by such Person.

“*Intercompany Note Proceeds Loan*” means any Bondco Loan (as defined in the Intercreditor Agreement).

“*Investment Grade Status*” shall apply at any time the relevant Indebtedness receives (i) a rating equal to or higher than BBB- (or the equivalent) from S&P and (ii) a rating equal to or higher than Baa3 (or the equivalent) from Moody’s.

“*Investments*” means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees and consultants made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with U.S. GAAP. If the Parent Guarantor or any Subsidiary of the Parent Guarantor sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Parent Guarantor such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Parent Guarantor, the Parent Guarantor will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Parent Guarantor’s Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in clause (c) of Section 2 of Schedule 10 (*Covenants*). The acquisition by the Parent Guarantor or any Subsidiary of the Parent Guarantor of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Parent Guarantor or such Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in clause (c) of Section 2 of Schedule 10 (*Covenants*). Except as otherwise provided in this Agreement, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

“*Land Concession*” has the meaning assigned to the term “Amended Land Concession” in Clause 1.1 (*Definitions*) of this Agreement.

“*Legal Holiday*” means a Saturday, a Sunday or a day on which banking institutions in the City of New York, New York, Hong Kong SAR, Macau SAR, the British Virgin Islands or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

“*Lien*” means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction).

“*Measurement Date*” means February 11, 2019.

“*Melco Resorts Parties*” means COD Resorts Limited, Altira Resorts Limited, Melco Resorts (Macau) Limited, Melco Resorts Services Limited, Golden Future (Management Services) Limited, MPEL Properties (Macau) Limited, Melco Resorts Security Services Limited, Melco Resorts Travel Limited, MCE Transportation Limited, MCO Transportation Two Limited and any other Person which accedes to the MSA as a “*Melco Resorts Party*” pursuant to terms thereof; and a “*Melco Resorts Party*” means any of them.

“*Moody’s*” means Moody’s Investors Service, Inc. or any successor to the rating agency business thereof.

“*MSA*” means the master services agreement dated December 21, 2015, including any work agreements entered into pursuant to the master services agreement, entered into between the Studio City Parties on the one part and the Melco Resorts Parties on the other part, as amended, modified, supplemented, extended, replaced or renewed from time to time, and any other master services agreement or equivalent agreement or contract, including any work agreements entered into pursuant to any such master services agreement, in each case entered into in connection with the conduct of Permitted Business and on terms that are no less favorable to the Parent Guarantor, the Company or the relevant Restricted Subsidiary than those that would have been obtained in an arm’s length commercial transaction, as amended, modified, supplemented, extended, replaced or renewed from time to time.

“*Net Income*” means, with respect to any Person, the net income (loss) of such Person, determined in accordance with U.S. GAAP and before any reduction in respect of Preferred Stock dividends, excluding, however:

- (1) any gain (or loss), together with any related provision for taxes on such gain (or loss), realized in connection with: (a) any Asset Sale; or
- (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment, repurchase or cancellation of any Indebtedness of such Person or any of its Restricted Subsidiaries; and

(2) any extraordinary gain (or loss), together with any related provision for taxes on such extraordinary gain (or loss).

“*Net Proceeds*” means the aggregate cash proceeds received by the Parent Guarantor or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with U.S. GAAP.

“*Non-Recourse Debt*” means Indebtedness:

(1) as to which neither the Parent Guarantor nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender, other than, in the case of (a) and (b), Indebtedness incurred pursuant to clause (b)(xv) of Section 4 of Schedule 10 (*Covenants*); and

(2) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Parent Guarantor or any of its Restricted Subsidiaries (other than to the Equity Interests of any Unrestricted Subsidiary).

“*Net Worth*” means, as of any date, the amount by which (A) the aggregate amount of the total assets of the Parent Guarantor, which is represented by the “Total assets” line item in the latest Annual Financial Statement or Quarterly Financial Statement (as applicable) of the Parent Guarantor, exceeds (B) the Parent Guarantor’s debts and other liabilities (including contingent liabilities) which is represented by the “Total liabilities” line item in the latest Annual Financial Statement or Quarterly Financial Statement (as applicable) of the Parent Guarantor.

“*Obligations*” means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

“*Officer*” means the Chairman of the Board, Chief Executive Officer, Chief Financial Officer, President, any Executive Vice President, Senior Vice President or Vice President, Treasurer or Secretary of the Company or the Parent Guarantor (as the case may be) or any Directors of the Board or any Person acting in that capacity.

“*Officer’s Certificate*” means a certificate signed on behalf of the Company or the Parent Guarantor (as the case may be), by an Officer of the Company or the Parent Guarantor (as applicable), which is in form and substance satisfactory to the Agent (acting reasonably).

“*Parent Guarantor*” means the Parent.

“*Permitted Business*” means (1) any businesses, services or activities engaged in by the Parent Guarantor or any of its Restricted Subsidiaries on the date of this Agreement, including, without limitation, the construction, development and operation of the Property, (2) any gaming, hotel, accommodation, hospitality, transport, tourism, resort, food and beverage, retail, entertainment, cinema / cinematic venue, audio-visual production (including provision of sound stage, recording studio and similar facilities), performance, cultural or related business, development, project, undertaking or venture of any kind in the Macau SAR, and (3) any other businesses, services, activities or undertaking that are necessary for, supportive of, or connected, related, complementary, incidental, ancillary or similar to, any of the foregoing or are extensions or developments of any thereof (including in support of the businesses, services, activities and undertakings of the Melco Resorts group as a whole or any member thereof including through participation in shared and centralized services and activities).

“Permitted Investments” means:

- (1) any Investment in the Parent Guarantor or in a Restricted Subsidiary of the Parent Guarantor;
- (2) any Investment in cash or Cash Equivalents;
- (3) any Investment by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in a Person, if as a result of such Investment:
 - (A) such Person becomes a Restricted Subsidiary of the Parent Guarantor; or
 - (B) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor;
- (4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 5 of Schedule 10 (*Covenants*);
- (5) any acquisition of assets or Capital Stock in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor;
- (6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Parent Guarantor or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes with Persons who are not Affiliates;
- (7) Investments represented by Hedging Obligations;
- (8) loans or advances to employees, officers, or directors made in the ordinary course of business of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in an aggregate principal amount not to exceed US\$2.0 million at any one time outstanding;
- (9) repurchases of any Secured Obligations;
- (10) any Investments consisting of gaming credit extended to customers and junket operators in the ordinary course of business and consistent with applicable law and any Investments made or deemed to be made in connection with or through any transactions or arrangements involving contractual rights under, pursuant to or in connection with (i) the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA and (ii) any transaction or arrangements made pursuant to clause (10) of the definition of “Asset Sale”, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals;
- (11) advances to contractors and suppliers and accounts, trade and notes receivables created or acquired in the ordinary course of business;

(12) receivables owing to the Parent Guarantor or any of its Restricted Subsidiaries if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(13) any Investment existing on the date of this Agreement or made pursuant to binding commitments in effect on the date of this Agreement or an Investment consisting of any extension, modification or renewal of any Investment existing on the date of this Agreement; *provided that* the amount of any such Investment may be increased (x) as required by the terms of such Investment as in existence on the date of this Agreement or (y) as otherwise permitted under the Finance Documents;

(14) Investments in prepaid expenses, negotiable instruments held for collection, deposits made in connection with self-insurance, and performance and other similar deposits and prepayments made in connection with an acquisition of assets or property in the ordinary course of business by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor;

(15) deposits made by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business to comply with statutory or regulatory obligations (including land grants) to maintain deposits for the purposes specified by the applicable statute or regulation (including land grants) from time to time;

(16) any Investment consisting of a Guarantee permitted by Section 4 of Schedule 10 (*Covenants*) and performance guarantees that do not constitute Indebtedness entered into by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business;

(17) to the extent constituting an Investment, licenses of intellectual property rights granted by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business; *provided that* such grant does not interfere in any material respect with the ordinary conduct of the business of such Person;

(18) Investments consisting of purchases and acquisitions of inventory, supplies, materials, services or equipment or purchases of contract rights or licenses or leases of intellectual property, in each case, in the ordinary course of business;

(19) Investments held by a Person that becomes a Restricted Subsidiary of the Parent Guarantor; *provided*, however, that such Investments were not acquired in contemplation of the acquisition of such Person;

(20) an Investment in an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary;

(21) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of "Permitted Liens";

(22) Investments (other than Permitted Investments) made with Excluded Contributions; *provided*, however, that any amount of Excluded Contributions made will not be included in the calculation of clause (C)(II) of Section 2(a) of Schedule 10 (*Covenants*);

(23) Investments consisting of the licensing or contribution of intellectual property pursuant to joint marketing arrangements with other Persons; and

(24) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (24) that are at the time outstanding, not to exceed US\$5.0 million.

“*Permitted Land Concession Amendment*” means any of the following:

(1) any action or thing which results in, with respect to the Land Concession:

- (A) an increase of the gross floor construction area at the Site as permitted under Macau legal requirements; or
- (B) any extension of the term of the Land Concession; or
- (C) the removal of development or other obligations or terms; or
- (D) the imposition of less onerous development or other obligations or terms than those set forth in the Land Concession; or
- (E) any extension of the date required for completion of development of the Site; or
- (F) amendments to enable definitive registration of the Land Concession (or part thereof) in line with the works actually executed; *provided* that such amendments do not adversely affect the interests of the Lenders; or

(2) any amendment to the Land Concession:

- (A) required to permit separation of the Site into more than one autonomous land plot or lots;
- (B) required to permit registration of strata title;
- (C) required to permit any Compliance Sale; or
- (D) required to modify the purpose of the Land Concession to include casino, gaming or gaming related activities and operations;

provided that any such amendment (i) would not reasonably be expected to be adverse to the interests of the Lenders, or (ii) is required by applicable Gaming Law; or

(3) any amendment to the purpose of the Land Concession relating to the rating of a hotel;

(4) any amendment which is of a mechanical or administrative nature or any amendment required by any Macau SAR Governmental Authority for which reasonable notice has been given (which does not, in any case, materially adversely affect the interests of the Lenders); or

(5) any other amendment to the Land Concession that is not or would not reasonably be expected to be materially adverse to the interests of the Lenders under the Finance Documents.

“Permitted Liens” means:

- (1) Liens to secure Indebtedness permitted by Section 4(b)(i)(A)(x) of Schedule 10 (*Covenants*);
- (2) Liens to secure Indebtedness permitted by Section 4(b)(iii)(A) of Schedule 10 (*Covenants*);
- (3) Liens in favor of the Company or the Guarantors;
- (4) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with the Parent Guarantor or any Subsidiary of the Parent Guarantor; provided that such Liens were not created in connection with, or in contemplation of, such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with the Parent Guarantor or the Subsidiary;
- (5) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Parent Guarantor or any Subsidiary of the Parent Guarantor; *provided that* such Liens were in existence prior to, such acquisition, and not incurred in contemplation of, such acquisition;
- (6) Liens incurred or deposits made in the ordinary course of business in connection with workmen’s compensation or employment obligations or other obligations of a like nature, including any Lien securing letters of credit issued in the ordinary course of business in connection therewith, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);
- (7) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by Section 4(b)(iv) of Schedule 10 (*Covenants*) covering only the assets acquired with or financed by such Indebtedness and directly related assets such as proceeds (including insurance proceeds), improvements, replacements and substitutions thereto;
- (8) Liens existing on the date of this Agreement;
- (9) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided that* any reserve or other appropriate provision as is required in conformity with U.S. GAAP has been made therefor;
- (10) Liens imposed by law, such as carriers, warehousemen’s, landlord’s, suppliers’ and mechanics’ Liens, in each case, incurred in the ordinary course of business;
- (11) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;
- (12) Liens to secure any Permitted Refinancing Indebtedness permitted to be Incurred under the Finance Documents; *provided*, however, that:

(A) the new Lien shall be limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (*plus* improvements and accessions to, such property or proceeds or distributions thereof); and

(B) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(13) Liens securing Hedging Obligations so long as the related Indebtedness is, and is permitted to be under the Finance Documents, secured by a Lien on the same assets or property securing such Hedging Obligations;

(14) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the money borrowed, (ii) relating to pooled deposit or sweep accounts of the Parent Guarantor or any of its Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Parent Guarantor and its Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business;

(15) Liens arising out of judgments against such Person not giving rise to an Event of Default, with respect to which such Person shall then be proceeding with an appeal or other proceedings for review, *provided that* any reserve or other appropriate provision as shall be required in conformity with U.S. GAAP shall have been made therefor;

(16) Liens granted to any Creditor Representative (as defined in the Intercreditor Agreement) for its compensation and indemnities pursuant to any applicable Secured Obligations Document;

(17) Liens arising out of or in connection with licenses, sublicenses, leases (other than capital leases) and subleases (including rights to use) of assets (including, without limitation, intellectual property) entered into in the ordinary course of business;

(18) Liens upon specific items of inventory or other goods and proceeds of the Parent Guarantor or any of its Restricted Subsidiaries securing obligations in respect of bankers' acceptances issued or created to facilitate the purchase, shipment or storage of such inventory or other goods in the ordinary course of business;

(19) Liens arising out of conditional sale, title retention, hire purchase, consignment or similar arrangement for the sale of goods in the ordinary course of business;

(20) Liens arising under customary provisions limiting the disposition or distribution of assets or property or any related restrictions thereon in operating agreements, joint venture agreements, partnership agreements, contracts for sale and other agreements arising in the ordinary course of business; *provided, that* such Liens do not extend to any assets of the Parent Guarantor or any of its Restricted Subsidiaries other than the assets subject to such agreements or contracts;

(21) Liens on deposits made in the ordinary course of business to secure liability to insurance carriers;

(22) Liens on the Equity Interests of Unrestricted Subsidiaries;

(23) Liens created or Incurred under, pursuant to or in connection with the Services and Right to Use Agreement or the Reinvestment Agreement, including Liens on any revenues or receipts thereunder or any accounts created or maintained thereunder;

(24) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Restricted Subsidiaries of the Parent Guarantor securing obligations of such joint ventures;

(25) Liens securing Indebtedness Incurred pursuant to Section 4(b)(xvii) of Schedule 10 (*Covenants*);

(26) Liens incurred in the ordinary course of business of the Parent Guarantor or any Subsidiary of the Parent Guarantor with respect to Obligations that do not exceed US\$5.0 million at any one time outstanding; and

(27) Liens on any debt service reserve account or interest reserve or accrual account (including all dividends, instruments, cash and Cash Equivalents and other property, as applicable, on deposit in such account) established for the benefit of creditors and securing Indebtedness owed to such creditors to the extent such debt service reserve account or interest reserve or accrual account is established in the ordinary course of business consistent with past practice.

Notwithstanding the foregoing:

- (a) [reserved];
- (b) [reserved]; and
- (c) no Liens on the Common Collateral other than Liens of the type described in paragraphs (1), (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to such paragraph (2)), (6), (9), (10), (11), (13), (14)(i), (14)(ii), (15), (16), (17), (18), (19), (20), (21) and (23) of this definition of “Permitted Liens” shall constitute Permitted Liens; *provided* that, in the case of this clause (c), with respect to Liens securing Indebtedness of the type described in paragraphs (1), (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to such paragraph (2)), (13) (with respect to Hedging Obligations secured by the Common Collateral) and (25) of this definition of “Permitted Liens”:
 - (i) all the property and assets securing such Indebtedness (including, without limitation, the Common Collateral) also secures the Facilities Liabilities on a senior and *pari passu* basis (other than (I) Liens on the Rolled Loan Cash Collateral Account or (II) Liens of the type described in paragraph (27) of the definition of “Permitted Liens”);
 - (ii) no Indebtedness other than (x) Indebtedness (excluding Indebtedness in respect of the Facilities Liabilities) Incurred under a revolving credit facility or an ancillary facility relating thereto permitted by Section 4(b)(iii) of Schedule 10 (*Covenants*) in an aggregate amount outstanding at any time up to US\$5.0 million, (y) Indebtedness with respect to Hedging Obligations supporting Indebtedness of the type described in Section 4(b)(i)(A)(x) and/or Section 4(b)(iii)(A) of Schedule 10 (*Covenants*) (and any Permitted Refinancing Indebtedness in respect of Indebtedness of the type described in Section 4(b)(iii)(A) of Schedule 10 (*Covenants*)) in an aggregate amount outstanding at any time up to US\$5.0 million and secured by Liens of the type described in paragraph (13) of the definition of “Permitted Liens” or (z) with the prior written consent of all Lenders, other Indebtedness may, as to the enforcement proceeds from such Collateral rank *pari passu* and share *pro rata* with the Facilities Liabilities; and

- (iii) the parties with respect to such Indebtedness will have entered into the Intercreditor Agreement (and/or an Additional Intercreditor Agreement) as “Secured Parties” (or the analogous term) thereunder.

“*Permitted Refinancing Indebtedness*” means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (*plus* all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, Incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Facilities Liabilities, such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and is subordinated in right of payment to, the Facilities Liabilities on terms at least as favorable to the Finance Parties as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is Incurred either by the Parent Guarantor or by the Restricted Subsidiary who is the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

“*Person*” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

“*Phase I*” means the approximately 477,110 gross square-meter part of the complex on the Site which contains retail, hotel, gaming, entertainment, food and beverage outlets and entertainment studios and other facilities developed on or before 1 December 2016, including any renovations or modifications thereto.

“*Phase II Project*” means the development on the Site after 1 December 2016, not comprising Phase I.

“*Preferred Stock*” means any Equity Interest with preferential right of payment of dividends or upon liquidation, dissolution, or winding up.

“*Pre-Opening Expenses*” means, with respect to any fiscal period, the amount of expenses (other than interest expense) incurred with respect to capital projects that are classified as “pre-opening expenses” on the applicable financial statements of the Parent Guarantor and its Restricted Subsidiaries for such period, prepared in accordance with U.S. GAAP.

“*Property*” means Phase I and the Phase II Project.

“*Reinvestment Agreement*” means the Reimbursement Agreement.

“*Related Party*” means:

(1) any controlling stockholder or majority-owned Subsidiary of Melco Resorts; or

(2) any trust, corporation, partnership, limited liability company or other entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding at least 50.1% interest of which consist of Melco Resorts and/or such other Persons referred to in the immediately preceding clause (1).

“*Restricted Investment*” means an Investment other than a Permitted Investment.

“*Restricted Subsidiary*” of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

“*Revenue Sharing Agreement*” means any joint venture, development, management, operating or similar agreement or arrangement for the sharing of revenues, profits, losses, costs or expenses entered into in connection with developments or services complementary or ancillary to the Property in the ordinary course of business (including, for the avoidance of doubt, such agreements or arrangements reasonably necessary to conduct a Permitted Business) and on arms’ length terms.

“*Rolled Loan Cash Collateral Account*” has the meaning given to that term in the Intercreditor Agreement.

“*S&P*” means S&P Global Ratings or any successor to the rating agency business thereof.

“*SEC*” means the U.S. Securities and Exchange Commission.

“*Securities Act*” means the United States Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

“*Senior Notes*” means the 2025 Notes, the 2028 Notes and the 2029 Notes.

“*Senior Notes Guarantees*” means the 2025 Notes Guarantees, the 2028 Notes Guarantees and the 2029 Notes Guarantees.

“*Senior Notes Indentures*” means the 2025 Notes Indenture, the 2028 Notes Indenture and the 2029 Notes Indenture.

“*Senior Notes Issuer*” means Studio City Finance Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673307), whose registered office is at Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands, and any and all successors thereto.

“*Senior Notes Trustee*” means each of the 2025 Notes Trustee, the 2028 Notes Trustee, and the 2029 Notes Trustee.

“*Senior Secured 2027 Note Indenture*” means the indenture governing the Senior Secured 2027 Notes dated February 16, 2022 and made between, among others, Deutsche Bank Trust Company Americas as trustee, paying agent, registrar and transfer agent in respect of the Senior Secured 2027 Notes, the Company as company and issuer of the Senior Secured 2027 Notes, and the Parent Guarantor as parent guarantor and Subsidiary Guarantors as subsidiary guarantors of the Senior Secured 2027 Notes and acceded to by the Common Security Agent and the Intercreditor Agent.

“Senior Secured 2027 Notes” means:

(1) the US\$350,000,000 aggregate principal amount of 7.0% senior secured notes due 2027 issued by the Company as issuer pursuant to the Senior Secured 2027 Note Indenture on February 16, 2022; and

(2) any additional notes issued by the Company as issuer pursuant to the Senior Secured 2027 Note Indenture as part of the same series of the senior secured notes issued under paragraph (1) above, provided that the Company and the Parent Guarantor have confirmed in writing to the Agent that the incurrence of those notes will not breach the terms of any of the Finance Documents or any of the then existing Secured Obligations Documents.

“Senior Secured 2027 Notes Guarantees” means the “Note Guarantees” (as defined in the Senior Secured 2027 Note Indenture) in relation to the Senior Secured 2027 Notes.

“Senior Secured 2027 Notes Interest Accrual Account” means any Pari Passu Notes Interest Accrual Account (as defined in the Intercreditor Agreement) relating to the Senior Secured 2027 Notes established in accordance with the terms of the Senior Secured 2027 Note Indenture.

“Shareholder Subordinated Debt” means, collectively, any debt provided to the Parent Guarantor by any direct or indirect parent holding company of the Parent Guarantor (or Melco Resorts), in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Shareholder Subordinated Debt; *provided that* such Shareholder Subordinated Debt:

(1) does not (including upon the happening of any event) mature or require any amortization or other payment of principal prior to the first anniversary of the last Final Repayment Date of the Facilities (other than through conversion or exchange of any such security or instrument for Equity Interests of the Parent Guarantor (other than Disqualified Stock) or for any other security or instrument meeting the requirements of the definition);

(2) does not (including upon the happening of any event) require the payment of cash interest prior to the first anniversary of the last Final Repayment Date of the Facilities;

(3) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confer on its shareholders any right (including upon the happening of any event) to declare a default or event of default or take any enforcement action, in each case, prior to the first anniversary of the last Final Repayment Date of the Facilities;

(4) is not secured by a Lien on any assets of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor and is not guaranteed by any Subsidiary of the Parent Guarantor;

(5) is subordinated in right of payment to the prior payment in full in cash of the Facilities Liabilities in the event of any default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of the Parent Guarantor;

(6) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Facilities Liabilities or compliance by the Parent Guarantor with its obligations under the Finance Documents;

(7) does not (including upon the happening of an event) constitute Voting Stock; and

(8) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder, in whole or in part, prior to the longest dated Final Repayment Date of the Facilities other than into or for Capital Stock (other than Disqualified Stock) of the Parent Guarantor.

“*Significant Subsidiary*” means any Subsidiary that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the date of this Agreement.

“*Site*” means an approximately 130,789 square meter parcel of land in the reclaimed area between Taipa and Coloane Island (Cotai), Lotes G300, G310 and G400, registered with the Macau Real Estate Registry under no. 23059, including the casino area that corresponds to the 43.8/1000 interest that was transferred to Macau SAR on 31 December 2022.

“*Stated Maturity*” means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date of this Agreement (or, if the documentation governing such Indebtedness (ignoring any amendments or restatements) is dated after the date of this Agreement, such later date), and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

“*Studio City Casino*” means any casino, gaming business or activities conducted at the Site.

“*Studio City International*” means Studio City International Holdings Limited, an exempted company registered by way of continuation with limited liability under the laws of the Cayman Islands.

“*Studio City Parties*” means Studio City International, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Retail Services Limited, Studio City Developments Limited, Studio City Ventures Limited, Studio City Services Limited and any other Person which accedes to the MSA as a “Studio City Party” pursuant to terms thereof.

“*Subordinated Indebtedness*” means (a) with respect to the Company, any Indebtedness of the Company which is by its terms subordinated in right of payment to the Facilities Liabilities, and (b) with respect to any Guarantor, any Indebtedness of such Guarantor which is by its terms subordinated in right of payment to such Guarantor’s Obligations in respect of the Facilities Liabilities.

“*Subsidiary*” means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

“*Subsidiary Guarantor*” means each Guarantor from time to time (other than the Parent).

“*Total Assets*” means, as of any date, the consolidated total assets of the Parent Guarantor and its Restricted Subsidiaries in accordance with U.S. GAAP as shown on the most recent balance sheet of such Person.

“*Unrestricted Subsidiary*” means any Subsidiary of the Parent Guarantor that is designated by the Board of Directors of the Parent Guarantor as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by Section 6 of Schedule 10 (*Covenants*), is not party to any agreement, contract, arrangement or understanding with the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Parent Guarantor or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Parent Guarantor or the Company;

(3) is a Person with respect to which neither the Parent Guarantor nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person’s financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries.

“*U.S. GAAP*” means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time.

“*Voting Stock*” of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

“*Weighted Average Life to Maturity*” means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

Schedule 12

Form of Incremental Facility Increase Lender Accession Deed

To: [●] as Agent and [●] as Common Security Agent

From: [Proposed Incremental Facility Increase Lender]

Date: [●]

Dear Sirs

**Studio City Company Limited—Facilities Agreement dated [●]
(as amended and amended and restated from time to time) (the “Facilities Agreement”)**

1. We refer to the Facilities Agreement and the Intercreditor Agreement (as defined in the Facilities Agreement). This is an Incremental Facility Increase Lender Accession Deed for the purpose of the Facilities Agreement and shall take effect as a Creditor/Creditor Representative Accession Undertaking for the purposes of the Intercreditor Agreement. Terms defined in or construed for the purpose of the Facilities Agreement have the same meaning in this Incremental Facility Increase Lender Accession Deed unless given a different meaning in this Incremental Facility Increase Lender Accession Deed.
2. [Name of Incremental Facility Increase Lender] (the “**Additional Lender**”) of [address/registered office] agrees to become an Incremental Facility Increase Lender and to be bound by the terms of the Facilities Agreement as a Lender under [details of the Incremental Facility Increase].
3. We refer to [clause 25.14 (Creditor/Creditor Representative Accession Undertaking)] of the Intercreditor Agreement.

In consideration of the Additional Lender being accepted as a Credit Facility Lender for the purposes of the Intercreditor Agreement (and as defined therein), the Additional Lender confirms that, as from [date], it intends to be party to the Intercreditor Agreement as a Credit Facility Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Credit Facility Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.
4. [Other relevant details (if any)]
5. The Additional Lender expressly ratifies and approves any and all acts done by the Agent and the Common Security Agent on its behalf prior to the execution by the Additional Lender of this Incremental Facility Increase Lender Accession Deed.
6. The New Lender confirms that it is not a Sponsor Affiliate.
7. This Incremental Facility Increase Lender Accession Deed may be executed in any number of counterparts and this has the same effect as if the signatures on such counterparts were on a single copy of this notice.
8. It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.
9. This Incremental Facility Increase Lender Accession Deed has been executed and delivered as a deed on the date stated at the beginning of this Incremental Facility Increase Lender Accession Deed.

10. This Incremental Facility Increase Lender Accession Deed and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

[Proposed Incremental Facility Increase Lender]

By: _____

By: _____

This notice is accepted as an Incremental Facility Increase Lender Accession Deed for the purposes of the Facilities Agreement by the Agent, and as a Creditor/Creditor Representative Accession Undertaking for the purposes of and as defined in the Intercreditor Agreement by the Common Security Agent.

[Agent]

By: _____

[Common Security Agent]

By: _____

Schedule 13
Form of Incremental Facility Increase Notice

From: [Borrower]

[Parent as parent and Obligors' Agent]

Each Incremental Facility Increase Lender named below

To: [Agent]

Dated: [●]

Dear Sirs

**Studio City Company Limited—Facilities Agreement dated [●]
(as amended and amended and restated from time to time) (the “Facilities Agreement”)**

1. We refer to the Facilities Agreement. This is an Incremental Facility Increase Notice. Terms defined in the Facilities Agreement have the same meaning in this Incremental Facility Increase Notice unless given a different meaning in this Incremental Facility Increase Notice.
2. This is the [first / second / third / fourth / *[insert number]*]* Incremental Facility Increase Notice delivered to you [, and this Incremental Facility Increase shall be designated as *[insert the designated name of the facility if desired]*].
3. We wish to establish [an Incremental Facility Increase] on the following terms:
[Details and designations of the [Incremental Facility Increase Commitments]/[Incremental Facility Increase] and details of the Incremental Facility Increase Lenders as required by Clause 5B (Incremental Facility Increase) of the Facilities Agreement together with any other information, requests or directions included at the request of the Agent pursuant to the Facilities Agreement]
4. For the purposes of this Incremental Facility Increase, a “Non-Market Lender” shall be [●].
5. We hereby confirm that this is a valid and duly completed Incremental Facility Increase Notice which complies with the requirements of Clause 5B (*Incremental Facility Increase*) of the Facilities Agreement.
6. We hereby enclose attach a copy of *[insert details of the documentation being delivered to facilitate any necessary accessions to the Facilities Agreement and the Intercreditor Agreement]* duly executed by each relevant Incremental Facility Increase Lender, and the Agent is hereby requested to execute and/or distribute such documentation to the Common Security Agent for its execution as soon as reasonably practicable.

Yours faithfully

Studio City Company Limited

Authorised signatory

* *Amend as necessary.*

Authorised signatory

[Incremental Facility Increase Lender(s)]

Schedule 14
Form of Compliance Certificate

To: [Agent]
From: [Borrower]
Dated:

Dear Sirs

**Studio City Company Limited— Facilities Agreement dated [●]
(as amended and amended and restated from time to time) (the “Facilities Agreement”)**

1. We refer to the Facilities Agreement. This is a Compliance Certificate. Terms used in the Facilities Agreement shall have the same meaning in this Compliance Certificate.
2. We confirm that:
 - (a) [in respect of the Relevant Period ending on [●], Consolidated EBITDA was [●], the amount of Cash or Cash Equivalent Investments of the Group was [●], Consolidated Net Finance Charges were [●] and Interest Cover was [●] and therefore [was]/[was not] less than the covenanted ratio of [●]:1 for that Relevant Period;
 - (b) in respect of the Relevant Period ending on [●], Consolidated Senior Debt on the last day of that Relevant Period was [●], Consolidated EBITDA was [●] and Senior Leverage was [●] and therefore [did]/[did not] exceed 2:75:1:00; [and]
 - (c) [in respect of the Relevant Period ending on [●], Consolidated Senior Debt on the last day of that Relevant Period was [●], Consolidated Total Assets on the last day of such Relevant Period was [●] and Senior Gearing was [●] per cent. and therefore [did]/[did not] exceed 30 per cent.];]*
 - (d) [in respect of the Relevant Period ending on [●], *[insert details of LTV Ratio calculation]*];**
 - (e) [the aggregate principal amount of the Borrowings of SCIH and its Subsidiaries that is secured by (among other things) any asset or equity interest (including, for the avoidance of doubt, the Loans) is [●]]***[; and
 - (f) [Margin should be adjusted to [●] per cent. per annum]**.
3. [We confirm that no Default is continuing.]****#

* Applicable to the Compliance Certificate provided by the Borrower or the Parent only.

** Applicable to the Compliance Certificate provided by the Borrower or the Parent only.

*** Applicable to the Compliance Certificate provided by the SCIH only.

**** Applicable to the Compliance Certificate provided by the Borrower or the Parent only.

If this statement cannot be made, the certificate should identify any Default that is continuing and the steps, if any, being taken to remedy it.

Signed:

Director of [Borrower]

Part 1
Offshore Confirmatory Security

1. A fourth composite deed of confirmatory security to be entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited and SCP Holdings Limited with respect to:
 - (a) the charge over all present and future shares of the Borrower held by the Parent, granted by the Parent dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the charge over all present and future shares of Studio City Holdings Two Limited held by the Borrower, granted by the Borrower dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (c) the charge over all present and future shares in Studio City Holdings Three Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (d) the charge over all present and future shares in Studio City Holdings Four Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (e) the charge over all present and future shares in SCP Holdings Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (f) the charge over all present and future shares in SCIP Holdings Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (g) the charge over all present and future shares in SCP One Limited held by SCP Holdings Limited, granted by SCP Holdings Limited dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (h) the charge over all present and future shares in SCP Two Limited held by SCP Holdings Limited, granted by SCP Holdings Limited dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (i) the composite deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited and SCP Holdings Limited dated 1 December 2016 (as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (j) the second composite deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited and SCP Holdings Limited dated 15 March 2021 (as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (k) the third composite deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited and SCP Holdings Limited dated 16 February 2022 (as amended, novated, supplemented, extended, replaced or restated from time to time).
2. A fourth deed of confirmatory security to be entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited, with respect to:
- (a) the debenture entered into (amongst others) by the Borrower, the Parent, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited dated 26 November 2013 (as amended by a deed of confirmatory security dated 1 December 2016, as amended by a second deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited dated 1 December 2016 (as amended by a second deed of confirmatory security dated 15 March 2021, as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (c) the second deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited dated 15 March 2021 (as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (d) the third deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited dated 16 February 2022 (as amended, novated, supplemented, extended, replaced or restated from time to time).
3. A fourth deed of confirmatory security to be entered into by SCH5 and the Common Security Agent with respect to:
- (a) the debenture entered into by SCH5 and the Common Security Agent as security agent dated 18 September 2015 (as amended by a deed of confirmatory security dated 1 December 2016, as amended by a second deed of confirmatory security dated 15 March 2021, as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the deed of confirmatory security entered into by SCH5 and the Common Security Agent dated 1 December 2016 (as amended by a second deed of confirmatory security dated 15 March 2021, as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (c) the second deed of confirmatory security entered into by SCH5 and the Common Security Agent dated 15 March 2021 (as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (d) the third deed of confirmatory security entered into by SCH5 and the Common Security Agent dated 16 February 2022 (as amended, novated, supplemented, extended, replaced or restated from time to time).
4. A fourth composite account charge deed of confirmatory security to be entered into (among others) by the Borrower, the Parent, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited with respect to:
- (a) the charge over certain accounts of the Borrower held in the Hong Kong SAR, granted by the Borrower dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (b) the charge over certain accounts of the Parent held in the Hong Kong SAR, granted by the Parent dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (c) the charge over certain accounts of Studio City Developments Limited held in the Hong Kong SAR, granted by Studio City Developments Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (d) the charge over certain accounts of Studio City Entertainment Limited held in the Hong Kong SAR, granted by Studio City Entertainment Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (e) the charge over certain accounts of Studio City Hotels Limited held in the Hong Kong SAR, granted by Studio City Hotels Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (f) the charge over certain accounts of Studio City Services Limited held in the Hong Kong SAR, granted by Studio City Services Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (g) the charge over certain accounts of Studio City Hospitality and Services Limited held in the Hong Kong SAR, granted by Studio City Hospitality and Services Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (h) the charge over certain accounts of Studio City Retail Services Limited held in the Hong Kong SAR, granted by Studio City Retail Services Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (i) the charge over certain accounts of SCIP Holdings Limited held in the Hong Kong SAR, granted by SCIP Holdings Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (j) the composite account charge deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited dated 1 December 2016 (as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (k) the second composite account charge deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited dated 15 March 2021 (as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (l) the third composite account charge deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited dated 16 February 2022 (as amended, novated, supplemented, extended, replaced or restated from time to time).
5. A fourth deed of confirmatory security to be entered into (among others) by Studio City Hospitality and Services Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Developments Limited, Studio City Retail Services Limited and Studio City Services Limited with respect to:
- (a) the charge over all present and future shares in SCHK2 held by Studio City Hospitality and Services Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Developments Limited and Studio City Retail Services Limited dated 30 July 2018 (as amended and restated by a deed of confirmatory security dated 1 February 2019, as amended by a second deed of confirmatory security dated 15 March 2021, as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the deed of confirmatory security entered into (among others) by Studio City Hospitality and Services Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Developments Limited, Studio City Retail Services Limited and Studio City Services Limited dated 1 February 2019 (as amended by a second deed of confirmatory security dated 15 March 2021, as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (c) the second deed of confirmatory security entered into (among others) by Studio City Hospitality and Services Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Developments Limited, Studio City Retail Services Limited and Studio City Services Limited dated 15 March 2021 (as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time); and

- (d) the third deed of confirmatory security entered into (among others) by Studio City Hospitality and Services Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Developments Limited, Studio City Retail Services Limited and Studio City Services Limited dated 16 February 2022 (as amended, novated, supplemented, extended, replaced or restated from time to time).
6. A third deed of confirmatory security to be entered into by SCHK2 and the Common Security Agent with respect to:
- (a) the debenture entered into by SCHK2 and the Common Security Agent dated 30 July 2018 (as amended by a deed of confirmatory security dated 15 March 2021, as amended by a second deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the deed of confirmatory security to be entered into by SCHK2 and the Common Security Agent dated 15 March 2021 (as amended by a second deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (c) the second deed of confirmatory security to be entered into by SCHK2 and the Common Security Agent dated 16 February 2022 (as amended, novated, supplemented, extended, replaced or restated from time to time).

1. A fourth composite confirmation to be entered into by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Holdings Five Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited with respect to the following Macau law security documents:
 - (a) the mortgage granted by Studio City Developments Limited over its rights under the Amended Land Concession dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the power of attorney granted by Studio City Developments Limited dated 26 November 2013 supplementing the mortgage over its rights under the Amended Land Concession (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (c) the promissory note issued by Studio City Company Limited dated 26 November 2013 and endorsed by Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited, Studio City Retail Services Limited and SCIP Holdings Limited (the “**Livrança**”) (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (d) the covering letter dated 26 November 2013 in relation to the **Livrança** from Studio City Company Limited and acknowledged by Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited, Studio City Retail Services Limited and SCIP Holdings Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (e) the pledge over all present and future shares of Studio City Entertainment Limited held by Studio City Holdings Three Limited and Studio City Holdings Four Limited granted by Studio City Holdings Three Limited and Studio City Holdings Four Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (f) the power of attorney granted by Studio City Holdings Three Limited dated 18 September 2015 regarding all its present and future shares in Studio City Entertainment Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (g) the power of attorney granted by Studio City Holdings Four Limited dated 18 September 2015 regarding all its present and future shares in Studio City Entertainment Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (h) the pledge over the share in Studio City Entertainment Limited held by Studio City Holdings Five Limited granted by Studio City Holdings Five Limited dated 18 September 2015 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (i) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Entertainment Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (j) the pledge over all present and future shares in Studio City Hotels Limited held by Studio City Holdings Three Limited and Studio City Holdings Four Limited, granted by Studio City Holdings Three Limited and Studio City Holdings Four Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (k) the power of attorney granted by Studio City Holdings Three Limited dated 18 September 2015 regarding all its present and future shares in Studio City Hotels Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (l) the power of attorney granted by Studio City Holdings Four Limited dated 18 September 2015 regarding all its present and future shares in Studio City Hotels Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (m) the pledge over the share in Studio City Hotels Limited held by Studio City Holdings Five Limited, granted by Studio City Holdings Five Limited dated 18 September 2015 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (n) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Hotels Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (o) the pledge over all present and future shares in Studio City Developments Limited held by SCP Holdings Limited, SCP One Limited and SCP Two Limited, granted by SCP Holdings Limited, SCP One Limited and SCP Two Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (p) the power of attorney granted by SCP Holdings Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (q) the power of attorney granted by SCP One Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (r) the power of attorney granted by SCP Two Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (s) the pledge over the share in Studio City Developments Limited held by Studio City Holdings Five Limited, granted by Studio City Holdings Five Limited dated 18 September 2015 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (t) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Developments Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (u) the pledge over all present and future shares in Studio City Retail Services Limited held by Studio City Services Limited and Studio City Hospitality and Services Limited, granted by Studio City Services Limited and Studio City Hospitality and Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (v) the pledge over all present and future shares in Studio City Hospitality and Services Limited held by Studio City Services Limited, granted by Studio City Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (w) the pledge over all present and future shares of Studio City Services Limited held by Studio City Company Limited and Studio City Holdings Two Limited, granted by Studio City Company Limited and Studio City Holdings Two Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (x) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 to terminate certain preference right agreements pursuant to which Studio City Holdings Five Limited was given preference in the acquisition of certain shares and the assignment of the interest in the Amended Land Concession (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (y) the floating charge over substantially all assets of Studio City Developments Limited, granted by Studio City Developments Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (z) the floating charge over substantially all assets of Studio City Entertainment Limited, granted by Studio City Entertainment Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (aa) the floating charge over substantially all assets of Studio City Services Limited, granted by Studio City Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (bb) the floating charge over substantially all assets of Studio City Hospitality and Services Limited, granted by Studio City Hospitality and Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (cc) the floating charge over substantially all assets of Studio City Hotels Limited, granted by Studio City Hotels Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (dd) the floating charge over substantially all assets of Studio City Retail Services Limited, granted by Studio City Retail Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (ee) the pledge over certain onshore accounts of Studio City Company Limited held in the Macau SAR, granted by Studio City Company Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (ff) the pledge over certain onshore accounts of Studio City Developments Limited held in the Macau SAR, granted by Studio City Developments Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (gg) the pledge over certain onshore accounts of Studio City Entertainment Limited held in the Macau SAR, granted by Studio City Entertainment Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (hh) the pledge over certain onshore accounts of Studio City Hotels Limited held in the Macau SAR, granted by Studio City Hotels Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (ii) the pledge over certain onshore accounts of Studio City Services Limited held in the Macau SAR, granted by Studio City Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (jj) the pledge over certain onshore accounts of Studio City Hospitality and Services Limited held in the Macau SAR, granted by Studio City Hospitality and Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (kk) the pledge over certain onshore accounts of Studio City Retail Services Limited held in the Macau SAR, granted by Studio City Retail Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (ll) the pledge over certain onshore accounts of SCIP Holdings Limited held in the Macau SAR, granted by SCIP Holdings Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (mm) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Developments Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (nn) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Entertainment Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (oo) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Hotels Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (pp) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Services Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (qq) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Hospitality and Services Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (rr) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Retail Services Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time).
2. A fourth confirmation to be entered into (among others) by Melco Resorts (Macau) Limited, Studio City Developments Limited, Studio City Hotels Limited, Studio City Company Limited, Studio City Holdings Five Limited and Studio City Entertainment Limited with respect to the following Macau law security documents:

- (a) the assignment of the Services and Right to Use Agreement granted by Studio City Entertainment Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the assignment of the Reimbursement Agreement granted by Studio City Entertainment Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (c) the direct agreement in relation to (i) the Services and Right to Use Agreement; and (ii) the Reimbursement Agreement, granted by Studio City Company Limited, Studio City Entertainment Limited, Studio City Developments Limited, Studio City Hotels Limited, Melco Resorts (Macau) Limited and Studio City Holdings Five Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time).
3. A fourth confirmation to be entered into (among others) by Melco Resorts (Macau) Limited and Studio City Entertainment Limited with respect to the pledge over accounts granted by Melco Resorts (Macau) Limited and Studio City Entertainment Limited, over (i) accounts of Melco Resorts (Macau) Limited in respect of the Service and Right to Use Agreement and (ii) the Trust Account (as defined in the Service and Right to Use Agreement) dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time).
4. A second confirmation to be entered into by Studio City Company Limited with respect to the pledge over cash collateral account granted by Studio City Company Limited, over the Account held with the Account Bank and the Deposit in relation to the Account (each as defined therein) dated 1 December 2016 (as confirmed by a confirmation agreement dated 15 March 2021 and as amended, novated, supplemented, extended, replaced or restated from time to time).

Schedule 16
Form of Green Loan Compliance Certificate

To: [Agent]
From: [Borrower]
Dated:

Dear Sirs

Studio City Company Limited—Facilities Agreement dated [●]
(as amended and amended and restated from time to time) (the “Facilities Agreement”)

1. We refer to the Facilities Agreement. This is a Green Loan Compliance Certificate. Terms defined in the Facilities Agreement shall have the same meaning when used in this Green Loan Compliance Certificate unless given a different meaning in this Green Loan Compliance Certificate.
2. We confirm that we are in compliance with Clause 22.13 (*Green Loan Information Undertaking*) and Clause 23.18 (*Green Loan Provisions*) of the Facilities Agreement and all the proceeds of the Revolving Facility (Green) Loans (the “**Loans**”) have been or will be applied in a manner which is in compliance with the Green Loan Principles.
3. Green Projects

We confirm that proceeds of the Loans will be/has been used to fund the project as set out in the table below (the “**Project**”):

Name of Project	Green Loan Allocation	Financing or refinancing	Evidence that the Loans are compliant with Green Loan Principles and are used for Eligible Green Assets, e.g. invoices or expert reports
[Studio City Phase 2]	US\$[●] HK\$[●]	[●]	[BREEAM “Excellent” rating for the design stage] / [In progress of obtaining BREEAM final rating]

4. Policies and procedures
- [Attached to this Green Loan Compliance Certificate are our current policies and procedures in relation to the Loans to ensure our compliance with the Green Loan Principles and that the Project falls within the Eligible Green Assets.]
- OR
- [We confirm that our policies and procedures in relation to the Loans are up-to-date and have not changed since the last Green Loan Compliance Certificate we provided to the Agent and continue to comply with the Green Loan Principles.]
5. We confirm that no Declassification Event has occurred.

Yours faithfully
For and on behalf of
[Borrower]

Name:
Director of [Borrower]

Signatures

THE PARENT

STUDIO CITY INVESTMENTS LIMITED

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

THE BORROWER

STUDIO CITY COMPANY LIMITED

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

Project Atreides - Facilities Agreement
(Signature Pages)

THE OTHER OBLIGORS

STUDIO CITY HOLDINGS TWO LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

STUDIO CITY HOLDINGS THREE LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

STUDIO CITY HOLDINGS FOUR LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

Project Atreides - Facilities Agreement
(Signature Pages)

SCP HOLDINGS LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

SCP ONE LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

SCP TWO LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

Project Atreides - Facilities Agreement
(Signature Pages)

SCIP HOLDINGS LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

STUDIO CITY ENTERTAINMENT LIMITED, a company incorporated under the laws of the Macau SAR

By: _____
Name: _____

STUDIO CITY SERVICES LIMITED, a company incorporated under the laws of the Macau SAR

By: _____
Name: _____

Project Atreides - Facilities Agreement
(Signature Pages)

SCIP HOLDINGS LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: _____
Name:

STUDIO CITY ENTERTAINMENT LIMITED, a company incorporated under the laws of the Macau SAR

By: /s/ Ines Nolasco Antunes
Name: Ines Nolasco Antunes

STUDIO CITY SERVICES LIMITED, a company incorporated under the laws of the Macau SAR

By: /s/ Ines Nolasco Antunes
Name: Ines Nolasco Antunes

Project Atreides - Facilities Agreement
(Signature Pages)

STUDIO CITY HOTELS LIMITED, a company incorporated under the laws of the Macau SAR

By: /s/ Ines Nolasco Antunes
Name: Ines Nolasco Antunes

STUDIO CITY HOSPITALITY AND SERVICES LIMITED, a company incorporated under the laws of the Macau SAR

By: /s/ Ines Nolasco Antunes
Name: Ines Nolasco Antunes

STUDIO CITY DEVELOPMENTS LIMITED, a company incorporated under the laws of the Macau SAR

By: /s/ Ines Nolasco Antunes
Name: Ines Nolasco Antunes

Project Atreides - Facilities Agreement
(Signature Pages)

STUDIO CITY RETAIL SERVICES LIMITED, a company incorporated under the laws of the Macau SAR

By: /s/ Ines Nolasco Antunes
Name: Ines Nolasco Antunes

STUDIO CITY (HK) TWO LIMITED (新濠影匯(香港)第二有限公司), a limited liability company incorporated under the laws of the Hong Kong SAR

By: _____
Name: _____

Project Atreides - Facilities Agreement
(Signature Pages)

STUDIO CITY RETAIL SERVICES LIMITED, a company incorporated under the laws of the Macau SAR

By: _____
Name:

STUDIO CITY (HK) TWO LIMITED (新濠影匯(香港)第二有限公司), a limited liability company incorporated under the laws of the Hong Kong SAR

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

Project Atreides - Facilities Agreement
(Signature Pages)

ORIGINAL LENDER
BANK OF COMMUNICATION CO., LTD. MACAU BRANCH

By: /s/ Leng San
Name: LENG SAN

Project Atreides - Facilities Agreement
(Signature Pages)

ORIGINAL LENDER

LUSO INTERNATIONAL BANKING LIMITED

By: /s/ 林舒 /s/ 李海鷗
Name: 林舒, 李海鷗

Project Atreides - Facilities Agreement
(Signature Pages)

ORIGINAL LENDER

TAI FUNG BANK LIMITED

By: /s/ Irene Lou Kit I /s/ Lam Leong
Name: **Ms. IRENE LOU KIT I / Mr. LAM LEONG**
 VICE PRESIDENT /DIRECTOR

Project Atreides - Facilities Agreement
(Signature Pages)

ORIGINAL LENDER

DEUTSCHE BANK AG, SINGAPORE BRANCH

By: /s/ Sreenivasan Iyer
Name: Sreenivasan Iyer
Title: Managing Director

By: /s/ Hafeez-UR Rahman
Name: Hafeez-UR Rahman
Title: Vice President

Project Atreides - Facilities Agreement
(Signature Pages)

ORIGINAL LENDER

BANCO COMERCIAL DE MACAU, S.A.

By: /s/ Chong Sou Keong
Name: Chong Sou Keong
Title: Deputy General Manager

By: /s/ Lee Wing Shum
Name: Lee Wing Shum
Title: Head of Commercial Banking and
Transaction Banking

Project Atreides - Facilities Agreement
(Signature Pages)

ORIGINAL LENDER

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED

By: /s/ Huang Xianjun
Name: Huang Xianjun

By: /s/ Huang Wei
Name: Huang Wei

THE COMMON SECURITY AGENT

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED

By: /s/ Huang Xianjun
Name: Huang Xianjun

By: /s/ Huang Wei
Name: Huang Wei

THE POA AGENT

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED

By: /s/ Huang Xianjun
Name: Huang Xianjun

By: /s/ Huang Wei
Name: Huang Wei

ORIGINAL LENDER

BANK OF CHINA LIMITED, MACAU BRANCH

By: /s/ Huang Jia Yu, Venus
Name: Huang Jia Yu, Venus
Title: Deputy Director, Corporate Banking and Financial
Institutions Department

By: _____
Name:

THE AGENT

BANK OF CHINA LIMITED, MACAU BRANCH

By: /s/ Huang Jia Yu, Venus
Name: Huang Jia Yu, Venus
Title: Deputy Director, Corporate Banking and Financial
Institutions Department

By: _____
Name:

THE GREEN LOAN COORDINATOR

BANK OF CHINA LIMITED, MACAU BRANCH

By: /s/ Huang Jia Yu, Venus
Name: Huang Jia Yu, Venus
Title: Deputy Director, Corporate Banking and Financial
Institutions Department

By: _____
Name:

WHITE & CASE

Dated 29 November 2024

Guarantee

of

Studio City International Holdings Limited
as Guarantor

accepted by

Bank of China Limited, Macau Branch
as the Credit Facility Agent

White & Case
16th Floor, York House, The Landmark
15 Queen's Road Central
Hong Kong

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This Guarantee (this “**Deed**”) is the deed poll of the Guarantor in favour of each Credit Facility Creditor (as defined below) from time to time and is executed on 29 November 2024 by:

- (1) **STUDIO CITY INTERNATIONAL HOLDINGS LIMITED**, an exempted company incorporated with limited liability under the laws of Cayman Islands (company number 343696), whose registered office is at Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands as guarantor (the “**Guarantor**”); and
- (2) **BANK OF CHINA LIMITED, MACAU BRANCH**, incorporated with limited liability under the laws of the People’s Republic of China for itself and as agent of the other Credit Facility Creditors (other than itself) for the purpose of accepting the rights and benefits of this Deed (the “**Credit Facility Agent**”).

Whereas:

- (A) Studio City Investments Limited as parent (the “**Parent**”), Studio City Company Limited as borrower (the “**Borrower**”), Industrial and Commercial Bank of China (Macau) Limited as common security agent (the “**Common Security Agent**”), Bank of China Limited, Macau Branch as original lender, and Bank of China Limited, Macau Branch as agent (among others) entered into a HKD1,945,000,000 senior secured revolving credit facilities agreement dated on or about the date of this Deed (the “**Credit Facility Agreement**”).
- (B) In addition, the Parent, the Borrower and the Common Security Agent (among others) entered into an intercreditor agreement dated on 1 December 2016 (30 November 2016, New York time) (as amended and restated pursuant to an amendment and restatement agreement dated 7 February 2022) (the “**Intercreditor Agreement**”).
- (D) The Guarantor enters into this Deed in connection with the Credit Facility Agreement.
- (E) It is intended that the benefit of this Deed enure to the Credit Facility Creditors from time to time.
- (F) It is intended that this document takes effect as the deed poll of the Guarantor, notwithstanding the fact that the Credit Facility Agent is also a party and may only execute this document under hand.

This Deed witnesses and it is declared as follows:

1. Interpretation

1.1 Definitions

In this Deed:

“**Affiliate**” means, in relation to any person, any other person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such person. For purposes of this definition, “**control**” means, in relation to a person, the power, directly or indirectly, to (a) vote 20 per cent. or more of the shares or other securities having ordinary voting power for the election of the board of directors (or persons performing similar functions) of such person or (b) direct or cause the direction of the management and policies of such person, whether by contract or otherwise.

“**Credit Facility Creditors**” means the Finance Parties under the Credit Facility Agreement

“**Finance Documents**” has the meaning given to it in the Credit Facility Agreement.

“**Guaranteed Liabilities**” means, in respect of each Credit Facility Creditor, all of the Secured Obligations owed to that Credit Facility Creditor under or in relation to the Finance Documents (whether as an original party or transferee) from time to time and “**Guaranteed Liability**” means any of them.

“**Guarantor’s Agent**” means the Parent, appointed to act on behalf of the Guarantor in relation to the Finance Documents pursuant to Clause 2 (*Guarantor’s Agent*).

“**Material Adverse Effect (SCIH)**” means any event or circumstance which (after taking into account all relevant circumstances) has a material adverse effect on:

- (a) the business, operations, property or financial condition of the Guarantor and its Subsidiaries (taken as a whole);
- (b) the ability of the Guarantor or such person as referred to in paragraph (b)(ii) of Clause 7.4 (*Merger*) as applicable to perform any of its payment obligations under this Deed; or
- (c) subject to the Legal Reservations, the validity or enforceability of this Deed or the rights or remedies of any Credit Facility Creditor under this Deed.

“**Obligor**” has the meaning given to it in the Credit Facility Agreement.

“**Party**” means a party to this Deed.

1.2 Construction

- (a) Unless this Deed provides otherwise or the context otherwise requires, a term which is defined (or expressed to be subject to a particular construction) in the Intercreditor Agreement and/or the Credit Facility Agreement (as applicable) shall have the same meaning (or be subject to the same construction) in this Deed.
- (b) The principles of construction and rules of interpretation set out or referred to in the Intercreditor Agreement and/or the Credit Facility Agreement (as applicable) shall have effect as if set out in this Deed.
- (c) Unless a contrary indication appears a reference in this Deed to the “**Guarantor**” shall be construed so as to include its successors in title, permitted assigns and permitted transferees.
- (d) Any reference in this Deed to the “**Credit Facility Creditors**” or “**Credit Facility Creditor**” shall be construed to include any person that becomes a Credit Facility Creditor from time to time including, without limitation any person that becomes a “Lender” pursuant to any of clauses 2.2 (*Increase*), 25.5 (*Procedure for transfer*) or 25.6 (*Procedure for assignment*) of the Credit Facility Agreement for so long as that person is a “Lender” in that capacity.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.
- (b) Subject to paragraph (c) below (only) and notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) This Deed is granted by the Guarantor for the benefit of each Credit Facility Creditor from time to time and each Credit Facility Creditor from time to time shall have full rights to enforce and enjoy the benefit of this Deed.

1.4 Credit Facility Creditors' rights and obligations

- (a) The obligations of each Credit Facility Creditor under or in respect of this Deed are several. Failure by a Credit Facility Creditor to perform its obligations under this Deed (if any) or any other Finance Document does not affect the obligations of any other Party under the Deed. No Credit Facility Creditor is responsible for the obligations (if any) of any other Credit Facility Creditor under the Deed.
- (b) The rights of each Credit Facility Creditor under or in connection with this Deed are separate and independent rights and any debt arising under this Deed to a Credit Facility Creditor from the Guarantor is a separate and independent debt in respect of which that Credit Facility Creditor shall be entitled to enforce its rights in accordance with paragraph (c) below. The rights of each Credit Facility Creditor include any debt owing to that Credit Facility Creditor under this Deed and, for the avoidance of doubt, any part of any amount owed by the Guarantor which relates to a Credit Facility Creditor's participation in a Credit Facility or its role under a Finance Document (including any such amount payable to the Credit Facility Agent on its behalf) is a debt owing to that Credit Facility Creditor by the Guarantor.
- (c) A Credit Facility Creditor may, except as otherwise stated in the Finance Documents, separately enforce its rights under or in connection with this Deed.

2. Guarantor's Agent

- (a) The Guarantor by its execution of this Deed irrevocably appoints the Parent to act on its behalf as its agent in relation to this Deed and irrevocably authorises:
 - (i) the Parent on its behalf to supply all information concerning itself contemplated by this Deed to the Credit Facility Creditors and to give all notices and instructions, to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by the Guarantor notwithstanding that they may affect the Guarantor, without further reference to or the consent of the Guarantor; and
 - (ii) each Credit Facility Creditor to give any notice, demand or other communication to the Guarantor pursuant to this Deed to the Parent,

and in each case the Guarantor shall be bound as though the Guarantor itself had given the notices and instructions or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.

- (b) Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Guarantor's Agent or given to the Guarantor's Agent under this Deed on behalf of the Guarantor or in connection with this Deed shall be binding for all purposes on the Guarantor as if the Guarantor had expressly made, given or concurred with it. In the event of any conflict between any notices or other communications of the Guarantor's Agent and the Guarantor, those of the Guarantor's Agent shall prevail.

3. Guarantee and indemnity

3.1 Guarantee and indemnity

The Guarantor irrevocably and unconditionally:

- (a) guarantees to each Credit Facility Creditor punctual performance by each Obligor of each of their obligations under the Finance Documents;
- (b) undertakes with each Credit Facility Creditor that whenever an Obligor does not pay any amount when due under or in connection with any Finance Document, the Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) agrees with each Credit Facility Creditor that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Credit Facility Creditor immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by the Guarantor under this indemnity will not exceed the amount it would have had to pay under this Clause 3 if the amount claimed had been recoverable on the basis of a guarantee.

3.2 Continuing guarantee

The guarantee under this Clause 3 is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

3.3 Reinstatement

If for any reason (including, without limitation, as a result of insolvency, breach of fiduciary or statutory duties or any similar event):

- (a) any payment to a Credit Facility Creditor (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided, reduced or required to be restored, or
- (b) any discharge, compromise or arrangement (whether in respect of the obligations of any Obligor or any security for any such obligation or otherwise) given or made wholly or partly on the basis of any payment, security or other matter which is avoided, reduced or required to be restored,

then:

- (i) the liability of the Guarantor shall continue (or be deemed to continue) as if the payment, discharge, compromise or arrangement had not occurred; and
- (ii) each Credit Facility Creditor shall be entitled to recover the value or amount of that payment or security from the Guarantor, as if the payment, discharge, compromise or arrangement had not occurred.

3.4 Waiver of defences

The obligations of the Guarantor under this Clause 3 will not be affected by any act, omission, matter or thing which, but for this Clause 3, would reduce, release or prejudice any of its obligations under this Clause 3 (without limitation and whether or not known to it or any Credit Facility Creditor) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security (whether pursuant to clause 2.2 (*Increase*) of the Credit Facility Agreement or by any other means);
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security;
- (g) any insolvency or similar proceedings; or
- (h) this Deed or any other Finance Document not being executed by or binding against any Obligor or any other party.

3.5 Guarantor intent

Without prejudice to the generality of Clause 3.4 (*Waiver of defences*), the Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental and of whatsoever nature and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for or in connection with any purpose whatsoever, including without limitation, any of the following: any amendment or waiver contemplated under a Fee Letter (as defined in the Credit Facility Agreement); any Property or Site (in each case, as defined in the Credit Facility Agreement) expansion; acquisitions of any nature; increasing working capital; enabling dividends or distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and expenses associated with any of the foregoing.

3.6 Immediate recourse

The Guarantor waives any right it may have of first requiring any Credit Facility Creditor (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Guarantor under this Clause 3. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

3.7 Appropriations

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, each Credit Facility Creditor (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Credit Facility Creditor (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Guarantor or on account of the Guarantor's liability under this Clause 3.

3.8 Deferral of the Guarantor's rights

- (a) Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Credit Facility Agent otherwise directs, the Guarantor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Clause 3:
 - (i) to be indemnified by an Obligor;
 - (ii) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents;
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Credit Facility Creditors under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Credit Facility Creditor;
 - (iv) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the Guarantor has given a guarantee, undertaking or indemnity under Clause 3.1 (*Guarantee and indemnity*);
 - (v) to exercise any right of set off against any Obligor; and/or
 - (vi) to claim or prove as a creditor of any Obligor in competition with any Credit Facility Creditor.
- (b) If the Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all the Guaranteed Liabilities to be repaid or discharged in full, on trust for the Credit Facility Creditors and shall promptly pay or transfer the same to the Credit Facility Agent or as the Credit Facility Agent may direct for application in accordance with clause 31 (*Payment mechanics*) of the Credit Facility Agreement.

4. General

4.1 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Credit Facility Creditor.

4.2 Guarantee limitations

The guarantee and indemnity contained in Clause 3 (*Guarantee and Indemnity*) shall not extend to or include any liability or sum to the extent it would cause any such guarantee and/or indemnity to be unlawful or prohibited by any applicable law or regulation (including, without limitation, any applicable financial assistance laws).

4.3 Demands

The amount specified in a demand made by a Credit Facility Creditor pursuant to this Deed as to the amount of any Guaranteed Liability or the amount due from the Guarantor under this Deed shall, save for manifest error, be conclusive and binding on the Guarantor. A Credit Facility Creditor may and the Credit Facility Creditors may serve multiple demands pursuant to this Deed (and the Credit Facility Creditors may separately serve demands in respect of their own Guaranteed Liabilities), *provided* that the aggregate amount effectively paid by the Guarantor under these demands does not exceed the Guaranteed Liabilities.

4.4 US bankruptcy

Notwithstanding any other provision of this Agreement or any other Finance Document, if the Guarantor commences a voluntary case concerning itself under the US Bankruptcy Code, or an involuntary case is commenced under the US Bankruptcy Code against the Guarantor and the petition is not dismissed or stayed within forty five (45) days after commencement of the case, or a custodian (as defined in the US Bankruptcy Code) is appointed for, or takes charge of, all or substantially all of the property of the Guarantor, or any order of relief or other order approving any such case or proceeding is entered, all obligations of the Guarantor under this Agreement shall become immediately due and payable, in each case automatically and without any further action by any Credit Facility Agent or other Credit Facility Creditor.

5. Representations and warranties

5.1 General

The Guarantor makes the representations and warranties set out in this Clause 5 (by reference to the facts and circumstances then existing) to and for benefit of each Credit Facility Creditor on the date of this Deed and acknowledges that each Credit Facility Creditor has entered into the Credit Facility Agreement and the relevant Finance Documents relying on such representations.

5.2 Status

- (a) It is a limited liability company duly incorporated and validly existing under the law of its jurisdiction of incorporation.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

5.3 Binding obligations

Subject to the Legal Reservations, the obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations.

5.4 Pari passu

Its payment obligations under this Deed rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

5.5 Non-conflict with other obligations

- (a) Its entry into and performance of, and the transactions contemplated by, this Deed do not and will not conflict with:
 - (i) any law or regulation applicable to it;
 - (ii) its Constitutional Documents (as defined in the Credit Facility Agreement); or

- (iii) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument, except where a Material Adverse Effect (SCIH) does not and would not be reasonably expected to occur.
- (b) The principal amount of Loan(s) (as defined in the Credit Facility Agreement) utilised or proposed to be utilised by the Borrower on the initial Utilisation Date (as defined in the Credit Facility Agreement) would not cause any debt incurrence limit in respect of the Original Bondco or its subsidiaries under any agreement binding on the Original Bondco to be exceeded. Words used in this paragraph (b) that are not defined in this Deed shall have the meaning given to them in the Intercreditor Agreement.

5.6 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary corporate action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.

5.7 Validity and admissibility in evidence

- (a) All Authorisations required:
 - (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations under this Deed; and
 - (ii) to make this Deed admissible in evidence in its Relevant Jurisdictions, have been obtained or effected and are in full force and effect.
- (b) All Authorisations necessary for it to carry out its business, where the failure of obtaining such Authorisations has or would reasonably be expected to have a Material Adverse Effect (SCIH), have been obtained or effected and are in full force and effect.

5.8 Governing law and enforcement

Subject to the Legal Reservations:

- (a) the choice of governing law of this Deed will be recognised and enforced in its Relevant Jurisdictions; and
- (b) any judgment obtained in relation to this Deed in the jurisdiction of the governing law of this Deed will be recognised and enforced in its Relevant Jurisdictions.

5.9 No filing or stamp Taxes

Subject to the Legal Reservations, under the laws of its Relevant Jurisdictions it is not necessary that this Deed be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to this Deed or the transactions contemplated by this Deed other than Cayman Islands stamp duty may be payable if the original Deed is brought to or executed in the Cayman Islands.

5.10 Deduction of Tax

It is not required under the laws of its Relevant Jurisdiction or at its address specified in accordance with this Deed to make any deduction for or on account of Tax from any payment it may make under this Deed.

5.11 No Default

No event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (however described) under any other agreement or instrument which is binding on it or to which its assets are subject which has or would reasonably be expected to have a Material Adverse Effect (SCIH).

5.12 No proceedings started or threatened

Save for any frivolous or vexatious claims (which, in the case of any such proceedings commenced in any jurisdiction other than Macau SAR, have been vacated, discharged, stayed or bonded pending appeal within 60 days of commencement) or save as otherwise disclosed to and accepted by the Credit Facility Agent, to the best of its knowledge and belief and having made due and careful enquiry, no litigation, arbitration, administrative proceedings or investigations of, or before, any court, arbitral body or other Governmental Authority which has or would reasonably be expected to have a Material Adverse Effect (SCIH) have been started or threatened against it.

5.13 No breach of laws

It has not breached any law or regulation which breach has or would reasonably be expected to have a Material Adverse Effect (SCIH).

5.14 Anti-terrorism laws

- (a) To the best of its knowledge, neither it nor any of its Affiliates: (i) is, or is controlled by, a Restricted Party (as defined in the Credit Facility Agreement); (ii) has received funds or other property from a Restricted Party; or (iii) is in breach of or is the subject of any action or investigation under any Anti-Terrorism Law (as defined in the Credit Facility Agreement).
- (b) It and, to the best of its knowledge, each of its Affiliates has taken reasonable measures to ensure compliance with the Anti-Terrorism Laws (as defined in the Credit Facility Agreement).
- (c) Its operations are and have been conducted in material compliance with all applicable financial record keeping and reporting requirements and the applicable anti-money laundering and anti-terrorist financing statutes of jurisdictions where it conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued or administered or enforced by any governmental agency (together with the Anti-Terrorism Laws, the “**Anti-Money Laundering and Anti-Terrorism Financing Laws**”) and no action, suit or proceeding by or before any court or governmental agency, authority or body or arbitrator involving it with respect to the Anti-Money Laundering and Anti-Terrorism Financing Laws are pending or threatened.

5.15 Times for making representations and warranties

- (a) The representations and warranties set out or referred to in this Clause 5 (other than paragraph (b) of Clause 5.5 (*Non-conflict with other obligations*)) are deemed to be made by the Guarantor to and for the benefit of each Credit Facility Creditor on (i) the date of each Utilisation Request, (ii) each Utilisation Date and (iii) the first day of each Interest Period (each as defined in the Credit Facility Agreement), in each case by reference to the facts and circumstances then existing at the time of repetition until all amounts which may be or become payable by the Credit Facility Creditors under or in connection with the Finance Documents have been irrevocably paid in full.

- (b) The representation and warranty set out or referred to in paragraph (b) of Clause 5.5 (*Non-conflict with other obligations*) is made by the Guarantor on the date of this Agreement and the initial Utilisation Date (as defined in the Credit Facility Agreement).

6. Information undertakings

- (a) The Guarantor shall promptly, upon the request of the Credit Facility Agent, supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Credit Facility Agent (in each case, for itself or on behalf of any other Credit Facility Creditor (including, in the case of any proposed assignment or transfer by a Credit Facility Creditor of any of its rights and/or obligations under the Finance Documents to a party that is not a Credit Facility Creditor prior to such assignment or transfer (a “**Proposed Assignment or Transfer**”), by that Credit Facility Creditor on behalf of any prospective assignee or transferee of that Credit Facility Creditor)) in order for the Credit Facility Agent, any other Credit Facility Creditor or, in the case of any Proposed Assignment or Transfer, any prospective assignee or transferee of a Credit Facility Creditor to carry out and be satisfied it has complied with all necessary “know your customer” or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.
- (b) Clause 15.8 (*FATCA Information*) of the Credit Facility Agreement is hereby incorporated by reference and apply to this Deed, *mutatis mutandis* and with references to “Party” and “Finance Document” having a meaning corresponding to the Guarantor, the Parties (and, where applicable, each Credit Facility Creditor) and this Deed.

7. General undertakings

7.1 General undertakings

The Guarantor undertakes for the benefit of the Credit Facility Agent and each other Credit Facility Creditor to comply with the undertakings set out in this Clause 7 from the date of this Deed until all amounts which may be or become payable by the Obligor under or in connection with the Finance Documents have been irrevocably paid in full.

7.2 Permits

The Guarantor shall promptly:

- (a) when necessary obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) upon request by the Credit Facility Agent supply certified copies to the Credit Facility Agent (as applicable) of, any Permit (as defined in the Credit Facility Agreement) (including any amendments, supplements or other modifications thereto) and any Authorisation (as defined in the Credit Facility Agreement) required under any law or regulation of a Relevant Jurisdiction to:
- (i) enable it to perform its obligations under this Deed;
 - (ii) ensure the legality, validity, enforceability or admissibility in evidence of this Deed; and
 - (iii) enable it to own its assets and to carry on its business,

where failure to obtain or comply with those Permits or Authorisations would reasonably be expected to have a Material Adverse Effect (SCIH) and shall promptly deliver to the Credit Facility Agent:

- (A) any notice that any Governmental Authority may condition approval of, or any application for, any of those Permits or Authorisations held by it on terms and conditions that are materially burdensome to the Guarantor in a manner not previously contemplated; and
- (B) such other documents and information as from time to time may reasonably be requested by the Credit Facility Agent in relation to any of the matters referred to in this Clause 7.2.

7.3 Compliance with laws

The Guarantor:

- (a) shall comply in all respects with:
 - (i) all Legal Requirements (as defined in the Credit Facility Agreement) (where failure to do so has or would be reasonably expected to have a Material Adverse Effect (SCIH)); and
 - (ii) its Constitutional Documents (as defined in the Credit Facility Agreement);
- (b) shall comply with (and conduct its business in compliance with) all applicable anti-money laundering, non-corruption, counter-terrorism financing, economic or trade sanctions laws and regulations in each case applicable to the Guarantor (including, without limitation, each Anti-Terrorism Law);
- (c) shall not directly or indirectly use the proceeds of the facilities made available under or in connection with the Credit Agreement in a manner which would breach any such laws and regulations; and
- (d) shall maintain policies and procedures designed to promote and achieve compliance with such laws and regulations.

7.4 Merger

The Guarantor shall not enter into any amalgamation, demerger, merger, consolidation, continuation or corporate reconstruction unless:

- (a) it is on a solvent basis of the Guarantor;
- (b) either:
 - (i) the Guarantor remains as surviving entity; or
 - (ii) the Person formed by or surviving any such amalgamation, demerger, merger, consolidation, continuation or corporate reconstruction (if other than the Guarantor) is a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong SAR, Macau SAR, Singapore, United States, any state of the United States, the District of Columbia or the Netherlands, and such Person expressly assumes all the Obligations of the Guarantor under the Finance Documents pursuant to such accession documents or agreements that are reasonably satisfactory to the Credit Facility Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions to the extent required by applicable law to ensure all the Obligations of the Guarantor under the Finance Documents are assumed by such Person;

- (c)
 - (i) to the extent that paragraph (b)(i) above is applicable, the Guarantor's obligations under this Deed continue in full force and effect; or
 - (ii) to the extent that paragraph (b)(ii) above is applicable, such Person's Obligations under this Deed and other Finance Documents are in full force and effect;
- (d) no Default or Event of Default is continuing or would result from the proposed amalgamation, demerger, merger, consolidation, continuation or corporate reconstruction;
- (e) a Material Adverse Effect (SCIH) does not and would not be reasonably expected to occur; and
- (f) clause 22.10 ("*Know your customer*" checks) of the Credit Facility Agreement is satisfied on the assumption that the requirements thereunder relating to an "Obligor" are applicable to the Guarantor or any Person referred to under paragraph (b)(ii) above.

7.5 **Pari passu ranking**

The Guarantor shall ensure that at all times any unsecured and unsubordinated claims of a Credit Facility Creditor against it under this Deed rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies.

8. **Acknowledgments – Finance Documents**

8.1 **Credit Facility Agreement**

- (a) The Guarantor acknowledges each term of the Credit Facility Agreement and confirms for the benefit of each of the Credit Facility Creditors that (to the extent relevant) the following provisions of the Credit Facility Agreement apply to it (as if it were an Obligor or Guarantor or Party (each as defined in the Credit Facility Agreement), as applicable) and this Deed (*mutatis mutandis*):
 - (i) clause 11.3 (*Default interest*);
 - (ii) clause 15 (*Tax gross-up and indemnities*);
 - (iii) clause 17 (*Other indemnities*);
 - (iv) clause 25.1 (*Assignments and transfers by the Lenders*);
 - (v) paragraph (c) of clause 25.5 (*Procedure for transfer*);
 - (vi) paragraphs (c), (d) and (e) of clause 25.6 (*Procedure for assignment*);
 - (vii) clause 25.8 (*Security over Lenders' rights*);
 - (viii) clause 28 (*Role of the Agent and others*) (other than clause 28.10 (*Lenders' indemnity to the Agent*));
 - (ix) clause 30 (*Sharing among the Finance Parties*);
 - (x) clause 31 (*Payment mechanics*);

- (xi) clause 32 (*Set-off*);
 - (xii) clause 34 (*Calculations and certificates*); and
 - (xiii) clauses 38.2 (*Disclosure of Confidential Information*), 38.3 (*Disclosure to numbering service providers*), 38.4 (*Entire agreement*) and 38.3 (*Tax Disclosure*).
- (b) The Guarantor acknowledges clause 27 (*Changes to the Obligors*) of the Credit Facility Agreement and that its consent is not required in connection with any transaction or arrangements implemented pursuant to the provisions of that clause.
- (c) Without limitation to paragraphs (a) and (b) above the Guarantor acknowledges that the Parent and/or the Borrower may, at any time and from time to time, request for the release of all or any of the Guarantors (as defined in the Credit Facility Agreement) from their guarantee obligations in respect of all or any of the Secured Obligations or all or any of the Transaction Security and such request may be accepted by the Secured Parties from time to time, hereby irrevocably and unconditionally gives its consent, sanction, authority and/or further confirmation to each such release as the Parent and/or the Borrower may, at any time and from time to time, request, and acknowledges and agrees that this Deed and its obligations under this Deed shall remain in full force and effect notwithstanding any such release.

8.2 Intercreditor Agreement

The Guarantor acknowledges each term of the Intercreditor Agreement.

9. Notices

- (a) Any communications to be made under or in connection with this Deed shall be made in accordance with clause 33 (*Notices*) of the Credit Facility Agreement which provisions are incorporated into this Deed as though they were set out in full in this Deed *mutatis mutandis*, with all necessary modifications to references to the parties.
- (b) The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:
- (i) in the case of the Guarantor:
 Address: 38/F, The Centrium, 60 Wyndham Street, Central, Hong Kong
 Attention: Company Secretary
 Facsimile: +852 2537 3618
 Email: dllegal-hkcg@melco-resorts.com
 - (ii) in the case of the Credit Facility Agent:
 Address: 17/F, Bank of China Building, Avenida Doutor Mario Soares, Macau
 Attention: Ms Jennie Chan / Ms Yan Chan / Ms Nora Pang / Ms Alana Lei / Ms Viki Tong / Ms Christine Chong
 Facsimile: (853) 8792 1659
 Email: chan_unteng_mac@bank-of-china.com /
 chan_unteng_mac@bankofchina.com / chan_chiian_mac@bank-of-china.com /
 chan_chiian_mac@bankofchina.com / pang_kaian_mac@bank-
 of-china.com / pang_kaian_mac@bankofchina.com / wong_man_mac@bankofchina.com/
 wong_man_mac@bank-of-china.com/ chong_hongin_mac@bankofchina.com /
 chong_hongin_mac@bank-of-china.com / tong_huangmei_mac@bank-of-china.com /
 tong_huangmei_mac@bankofchina.com / lei_lan_mac@bankofchina.com/ lei_lan_mac@bank-of-china.com

or any substitute address, fax number or department or officer as the Party may notify to the Credit Facility Agent (or the Credit Facility Agent may notify to the other Parties, if a change is made by the Credit Facility Agent) by not less than 10 Business Days' notice.

10. Partial invalidity

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

11. Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Credit Facility Creditor, any right or remedy under this Deed or any other Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed or any other Finance Document. No election to affirm this Deed on the part of any Credit Facility Creditor shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

12. Amendments and waivers

- (a) Any amendments and/or waivers in relation to this Deed shall only be effective if agreed to by or on behalf of the Parties in writing and in accordance with the Finance Documents (including the Credit Facility Agreement and the Intercreditor Agreement). For the avoidance of doubt, the Parties acknowledge that such agreements may be provided pursuant to Clause 2 (*Guarantor's Agent*) and clause 37.2 (*Required consents*) of the Credit Facility Agreement.
- (b) The Guarantor agrees to any amendment and/or waiver of any other Finance Document as permitted under clause 37 (*Amendments and waivers*) of the Credit Facility Agreement which is agreed to by the Parent. This includes any amendment and/or waiver which would, but for this Clause, require the consent of the Guarantor if this Deed is to remain in full force and effect.

13. Changes to the Parties

13.1 The Guarantor

The Guarantor may not assign any of its rights or transfer any of its rights or obligations under this Deed.

13.2 The Credit Facility Agent

The Credit Facility Agent may:

- (a) assign all or any of its rights under this Deed; and

- (b) transfer all or any of its obligations (if any) under this Deed,

to any successor Credit Facility Agent in accordance with the provisions of the Credit Facility Agreement, **provided** that it is acknowledged that such assignment or transfer shall not in any way prejudice the benefit of the guarantees contemplated herein (which shall be assigned to such successor Credit Facility Agent pursuant to the terms of the Credit Facility Agreement). Upon such assignment and/or transfer taking effect, the retiring Credit Facility Agent shall be discharged from any further obligation (if any) in respect of this Deed and the successor Credit Facility Agent shall be and be deemed to be acting as agent for the Credit Facility Creditors for the purposes of this Deed and in place of the former Credit Facility Agent.

13.3 Other Credit Facility Creditors

- (a) Each other Credit Facility Creditor may assign all or any of its rights or transfer all or any of its rights and obligations (if any) under this Deed in accordance with the provisions of the Credit Facility Agreement.
- (b) The Guarantor irrevocably and unconditionally:
- (i) authorises and instructs the Credit Facility Agent to execute any Transfer Certificate and any Assignment Agreement (each as defined in the Credit Facility Agreement) on its behalf. The provisions of paragraphs (a) and (c) of clause 25.5 (*Procedure for transfer*) and paragraphs (a) and (c) of clause 25.6 (*Procedure for assignment*) of the Credit Facility Agreement shall apply to this Deed and the Parties, *mutatis mutandis*; and
 - (ii) confirms that:
 - (A) it consents to any assignment or transfer by any Credit Facility Creditor of its rights and/or obligations made in accordance with the provisions of the Finance Documents;
 - (B) it shall continue to be bound by the terms of this Deed, notwithstanding any such assignment or transfer; and
 - (C) the assignee or transferee of such Credit Facility Creditor shall acquire an interest in this Deed upon such assignment or transfer taking effect.

13.4 Additional Lenders

The benefit of this Deed shall automatically and immediately enure to each person that becomes a Credit Facility Creditor pursuant to any of clauses 2.2 (*Increase*), 25.5 (*Procedure for transfer*) or 25.6 (*Procedure for assignment*) of the Credit Facility Agreement, in each case, for so long as that person is a Credit Facility Creditor.

14. Acknowledgment

The Parties acknowledge and agree that the Credit Facility Agent have agreed to become a party to this Deed solely for the purpose of taking the benefit of, and for agreeing amendments to, this Deed and shall not assume any other obligations or liabilities whatsoever to any other Party by virtue of the provisions of this Deed.

15. Counterparts

This Deed may be executed in counterparts, and this has the same effect as if the signatures and/or execution on such counterparts were on a single copy of this document.

16. Governing law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

17. Enforcement

17.1 Jurisdiction of English courts

- (a) The courts of England have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a “**Dispute**”).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 17.1 is for the benefit of the Credit Facility Creditors only. As a result, no Credit Facility Creditor shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Credit Facility Creditors may take concurrent proceedings in any number of jurisdictions.

17.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, the Guarantor:
 - (i) irrevocably appoints Law Debenture Corporate Service Limited as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed; and
 - (ii) agrees that failure by an agent for service of process to notify the Guarantor of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Guarantor must immediately (and in any event within three (3) Business Days of such event taking place) appoint another agent on terms acceptable to the Credit Facility Agent (acting in consultation). Failing this, the Credit Facility Agent may appoint another agent for this purpose.

17.3 Waiver of immunities

The Guarantor irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:

- (a) suit;
- (b) jurisdiction of any court;
- (c) relief by way of injunction or order for specific performance or recovery of property;
- (d) attachment of its assets (whether before or after judgment); and
- (e) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings).

This Deed has been duly executed as a deed poll by the Guarantor and is intended to be made and is hereby delivered by the Guarantor on the date stated at the beginning of this Deed.

Signatures

GUARANTOR

Executed as a Deed
By: STUDIO CITY INTERNATIONAL
HOLDINGS LIMITED



/s/ Tim Yuchi Sung
Signature of Director/Authorised Signatory
Name: Tim Yuchi Sung

in the presence of:

/s/ Lee Wun San Vincent
Signature of witness:

Name of witness: LEE WUN SAN VINCENT
Address of witness: 38/F, Centrium, 60 Wyndham Street, Central
Occupation of witness: Legal & Corporate Governance Executive

THE CREDIT FACILITY AGENT

BANK OF CHINA LIMITED, MACAU BRANCH

By: /s/ Huang Jia Yu, Venus
Name: Huang Jia Yu, Venus
Title: Deputy Director, Corporate Banking and Financial Institutions Department

By:
Name:

Project Atreides - Listco Guarantee
(Signature page)

WHITE & CASE

Dated 29 November 2024

Third Amendment and Restatement Agreement

in respect of the HKD10,855,880,000 Senior Secured Term Loan and Revolving Facilities Agreement
originally dated 28 January 2013 (as amended and restated from time to time)

between

Studio City Investments Limited
as Parent

Studio City Company Limited
as Borrower

Bank of China Limited, Macau Branch
as Agent

Industrial and Commercial Bank of China (Macau) Limited
as Common Security Agent

and others

White & Case
16th Floor, York House, The Landmark
15 Queen's Road Central
Hong Kong

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This Third Amendment and Restatement Agreement is dated 29 November 2024 (this “**Agreement**”) and made

Between:

- (1) **Studio City Investments Limited**, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673083), whose registered office is at Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands (the “**Parent**”);
- (2) **Studio City Company Limited**, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673603), whose registered office is at Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands (the “**Borrower**”);
- (3) **The Subsidiaries of the Borrower** listed on the signing pages as Guarantors (together with the Parent and the Borrower, the “**Obligors**”);
- (4) **Industrial and Commercial Bank of China (Macau) Limited**, incorporated with limited liability under the laws of the Macau SAR in its capacity as common security agent and trustee for the Secured Parties (the “**Common Security Agent**”);
- (5) **Industrial and Commercial Bank of China (Macau) Limited**, incorporated with limited liability under the laws of the Macau SAR in its capacity as POA agent for the Common Security Agent under the Facilities Agreement (the “**POA Agent**”); and
- (6) **Bank of China Limited, Macau Branch**, incorporated with limited liability under the laws of the People’s Republic of China in its capacity as facility agent of the other Finance Parties under the Facilities Agreement (the “**Agent**”).

Whereas:

- (A) Certain of the parties hereto (among others) have entered into a HKD 10,855,880,000 Senior Secured Term Loan and Revolving Facilities Agreement originally dated 28 January 2013 (as amended and restated by an amendment and restatement agreement dated 23 November 2016, as amended and restated by an amendment and restatement agreement dated 15 March 2021 and as further amended and restated from time to time) (the “**Facilities Agreement**”).
- (B) This Agreement is supplemental to the Facilities Agreement.
- (C) The Parent and the Borrower have requested that the Facilities Agreement be amended and restated as contemplated by this Agreement and the Agent consents to the making of those amendments, subject to the terms and conditions of this Agreement.
- (D) The Parties wish to enter into this Agreement to record their agreements in relation to the above.

It is agreed as follows:

1. Interpretation

1.1 Definitions

In this Agreement:

“**Amended and Restated Facilities Agreement**” means the Facilities Agreement, as amended and restated pursuant to the terms and conditions of this Agreement (as on the Effective Date, in the form set out in Schedule 1 (*Amended and Restated Facilities Agreement*)).

“**Amendment Transaction Documents**” means:

- (a) this Agreement; and
- (b) each Confirmatory Security Document.

“Confirmatory Security Documents” means each agreement, deed, acknowledgement, confirmation, amendment or other instrument listed in Schedule 3 (*Confirmatory Security Documents*).

“Effective Date” means the later of:

- (a) the date of this Agreement; and
- (b) the date on which the Agent confirms in writing to the Borrower that it has received (or the Lenders or the Agent has waived the requirement to receive) all of the documents and other evidence listed in Schedule 2 (*Conditions Precedent*), and that each is in form and substance satisfactory to the Lenders (acting reasonably).

“Intercreditor Agreement” means the intercreditor agreement originally dated 1 December 2016 (30 November 2016, New York time) (as amended and restated by an amendment and restatement agreement dated 7 February 2022 and as further amended and restated from time to time) and entered into between (among others) the Parent, the Borrower, Bank of China Limited, Macau Branch as credit facility agent for the Finance Parties under the Facilities Agreement and as credit facility lender under the Facilities Agreement, DB Trustees (Hong Kong) Limited as the coordinating intercreditor agent for the Secured Parties and the Common Security Agent.

“Melco Resorts Macau” means Melco Resorts (Macau) Limited (formerly known as Melco Crown (Macau) Limited, a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry under number 24325 SO, with registered office at Estrada do Istmo, City of Dreams, Executive Office (L2M), Cotai, Macau.

“SCH5” means Studio City Holdings Five Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1789892), whose registered office is at Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands.

“Security Provider” means an Obligor, SCH5 or Melco Resorts Macau.

1.2 Construction

- (a) The principles of construction and rules of interpretation set out in the Facilities Agreement (including but not limited to clause 1.2 (*Construction*) of the Facilities Agreement) shall have effect as if set out in this Agreement.
- (b) Unless a contrary indication appears, a term defined in or by reference in the Facilities Agreement has the same meaning in this Agreement. Words and expressions defined in this Agreement by reference to the Amended and Restated Facilities Agreement shall (at all times prior to the Effective Date) have the meaning attributed to them in the form of the Amended and Restated Facilities Agreement set out in Schedule 1 (*Amended and Restated Facilities Agreement*).
- (c) In this Agreement any reference to a “Clause”, a “Schedule” or a “Party” is, unless the context otherwise requires, a reference to a Clause, a Schedule or a Party to this Agreement.

1.3 Designation

The Borrower and the Agent designate this Agreement as a Finance Document by execution of this Agreement for the purposes of the definition of “Finance Document” in the Facilities Agreement.

2. Amendment to the Facilities Agreement

2.1 Amendment to the Facilities Agreement

- (a) Subject to the terms and conditions of this Agreement and pursuant to the Facilities Agreement, each Party consents to the amendments to the Facilities Agreement as contemplated by this Agreement.
- (b) Each Obligor and the Agent (on behalf of itself and on behalf of each Finance Party pursuant to paragraph (b) of clause 37.2 (*Required consents*) of the Facilities Agreement) agree, in accordance with clause 37 (*Amendments and waivers*) of the Facilities Agreement that with immediate and automatic effect on and from the Effective Date, the Facilities Agreement shall be amended and restated so that it shall be read and construed for all purposes as set out in Schedule 1 (*Amended and Restated Facilities Agreement*) and all references in the Amended and Restated Facilities Agreement to “this Agreement” shall include this Agreement. The Agent shall notify the Borrower and the Lenders promptly upon the occurrence of the Effective Date.

3. Representations

3.1 Representations

Each of the Obligors makes the representations and warranties set out in this Clause 3.1 to each Finance Party (by reference to the facts and circumstances then existing) on the date of this Agreement and on the Effective Date.

- (a) Status
 - (i) Each of the Obligors is a limited liability corporation or company duly incorporated or organised, as the case may be, and validly existing under the law of its jurisdiction of incorporation or organisation, as the case may be.
 - (ii) Each of the Obligors has the power to own its assets and carry on its business as it is being conducted.
 - (iii) Each of the Obligors is acting as principal for its own account and not as agent or trustee in any capacity on behalf of any person in relation to any Amendment Transaction Document to which it is a party.
- (b) Binding obligations

Subject to the Legal Reservations:

 - (i) the obligations expressed to be assumed by each of the Obligors in each Amendment Transaction Document to which it is a party are legal, valid, binding and enforceable obligations; and
 - (ii) without limiting the generality of paragraph (a) above, each Confirmatory Security Document to which it is a party creates the security interests which that Confirmatory Security Document purports to create and those security interests are valid and effective.

- (c) Non-conflict with other obligations
- The entry into and performance by each of the Obligor's of, and the transactions contemplated by, each Amendment Transaction Document to which it is a party and the granting of the Transaction Security do not and will not conflict with:
- (i) any law or regulation applicable to such Obligor;
 - (ii) its Constitutional Documents; or
 - (iii) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument, except where a Material Adverse Effect does not or would not be reasonably expected to occur).
- (d) Power and authority
- Each of the Obligor's has the power to enter into, perform and deliver, and has taken all necessary corporate action to authorise its entry into, performance and delivery of, each Amendment Transaction Document to which it is or will be a party and the transactions contemplated therein.
- (e) Validity and admissibility in evidence
- (i) All Authorisations required:
 - (A) to enable each of the Obligor's lawfully to enter into, exercise its rights and comply with its obligations under each Amendment Transaction Document to which it is or will be a party; and
 - (B) to make each Amendment Transaction Document to which it is or will be a party admissible in evidence in its Relevant Jurisdictions,have been obtained or effected and are in full force and effect.
 - (ii) All Authorisations necessary for it to carry out its business, where failure of obtaining such Authorisations has or would reasonably be expected to have a Material Adverse Effect, have been obtained or effected and are in full force and effect.
- (f) Governing law and enforcement
- Subject to the Legal Reservations:
- (i) the choice of English law as the governing law of this Agreement and, in the case of each Confirmatory Security Document, English law, Hong Kong law or Macau SAR law (as the case may be) will be recognised and enforced in each Obligor's Relevant Jurisdiction; and
 - (ii) any judgment obtained in relation to any Amendment Transaction Document in England, the Hong Kong SAR or the Macau SAR (as the case may be) will be recognised and enforced in its Relevant Jurisdictions.
- (g) No filing or stamp taxes
- Subject to the Legal Reservations, under the laws of each Obligor's Relevant Jurisdictions it is not necessary that any Amendment Transaction Document be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to any Amendment Transaction Document or the transactions contemplated

therein (save for (i) the associated fees, duties or similar payments pursuant to the Perfection Requirements, (ii) any stamp, registration, notarial or similar Tax which is referred to in any legal opinion of legal counsel in the Macau SAR delivered to the Agent under this Agreement), which will be made or paid promptly after the date of this Agreement and (iii) Cayman Islands stamp duty will be payable on any Finance Document that is brought into, executed in or produced before the courts of, the Cayman Islands).

(h) Deduction of Tax

None of the Obligors is required under the laws of its Relevant Jurisdiction or at its address specified in a Finance Document or an Amendment Transaction Document to make any deduction for or on account of Tax from any payment it may make under any Amendment Transaction Document.

3.2 Repetition

The representations and warranties set out in clause 21 (*Representations*) of the Amended and Restated Facilities Agreement are deemed to be made by each of the Obligor by reference to the facts and circumstances then existing on the date of this Agreement and on the Effective Date and, in each case, as if any reference therein to any Finance Document in respect of which any amendment, acknowledgement, confirmation, consolidation, novation, restatement, replacement or supplement is expressed to be made by this Agreement included, to the extent relevant, this Agreement and the Finance Document as so amended, acknowledged, confirmed, consolidated, novated, restated, replaced or supplemented.

4. Continuity and further assurance

4.1 Continuing obligations

- (a) Each of the Obligors agrees and acknowledges that the provisions of the Facilities Agreement (including, without limitation, the guarantees, undertakings and indemnities provided under clause 20 (*Guarantee and indemnity*) thereof) and the other Finance Documents shall, save as amended by an Amendment Transaction Document:
- (i) continue in full force and effect and extend to the liabilities and obligations of the Obligors under the Amended and Restated Facilities Agreement and the other Finance Documents (as amended from time to time), including as varied, amended, supplemented or extended by an Amendment Transaction Document and apply equally to the obligations of the Borrower under Clause 5 (*Costs and expenses*) as if set out in full in this Agreement; and
 - (ii) continue to constitute legal, valid and binding obligations of the Obligors enforceable in accordance with their terms.
- (b) In particular, nothing in this Agreement shall affect the rights of the Secured Parties in respect of the occurrence of any Default which is continuing or which arises on or after the date of this Agreement (other than any Default which has occurred or may occur as a result of the entry into of this Agreement or the entry into, and performance of, the transactions contemplated by any of the foregoing).

4.2 Further assurance

Each of the Obligors shall, upon the written request of the Agent and at its own expense, do all such acts and things reasonably necessary to give effect to the amendments effected or to be effected pursuant to this Agreement.

5. Costs and expenses

- (a) Notwithstanding clause 19 (*Costs and expenses*) of the Facilities Agreement, the Borrower shall, within five (5) Business Days of demand, pay (or shall procure that another member of the Group will pay) to the Agent all costs and expenses (together with any Indirect Tax) including without limitation (but subject to any agreed caps) the fees and expenses of the Agent's legal advisers reasonably incurred in connection with the negotiation, preparation, execution and performance of this Agreement (and the documents listed in Schedule 2 (*Conditions Precedent*)) and the transactions contemplated in this Agreement.
- (b) The Borrower shall pay (or shall procure that another member of the Group will pay) all stamp, registration and other taxes and notarisational expenses to which this Agreement (and the documents listed in Schedule 2 (*Conditions Precedent*)) is or may at any time be subject and shall from time to time within, five (5) Business Days of demand of the Agent, indemnify the Agent, the Common Security Agent and the Lenders against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such amounts.

6. Enforcement

6.1 Jurisdiction of English courts

- (a) The courts of England have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) Notwithstanding paragraphs (a) and (b) above, no Finance Party or Secured Party that is party to this Agreement shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties and Secured Parties party to this Agreement may take concurrent proceedings in any number of jurisdictions.

6.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, each of the Obligors:
 - (i) irrevocably appoints Law Debenture Corporate Services Limited as its agent for service of process in relation to any proceedings before the English Courts in connection with any Finance Document; and
 - (ii) agrees that failure by an agent for service of process to notify the relevant Obligor of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent of service of process, the Parent (on behalf of all the Obligors) must immediately (and in any event within three (3) Business Days of such event taking place) appoint another agent on terms acceptable to the Agent. Failing this, the Agent may appoint another agent for this purpose.

6.3 Waiver of Jury Trial

EACH OF THE PARTIES TO THIS AGREEMENT AGREES TO WAIVE IRREVOCABLY ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE DOCUMENTS REFERRED TO IN THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED IN THIS AGREEMENT. This waiver is intended to apply to all Disputes. Each Party acknowledges that (a) this waiver is a material inducement to enter into this Agreement, (b) it has already relied on this waiver in entering into this Agreement and (c) it will continue to rely on this waiver in future dealings. Each Party represents that it has reviewed this waiver with its legal advisers and that it knowingly and voluntarily waives its jury trial rights after consultation with its legal advisers. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

7. Miscellaneous

7.1 Incorporation of terms

The provisions of clauses 1.3 (*Third party rights*), 33 (*Notices*), 35 (*Partial invalidity*) and 36 (*Remedies and waivers*) of the Facilities Agreement and, at and from the Effective Date, the corresponding clauses in the Amended and Restated Facilities Agreement shall be deemed incorporated into this Agreement as if set out in full herein and as if references in those clauses to “this Agreement” and “a Finance Document” are references to this Agreement and cross references to specified clauses thereof are references to the equivalent clauses set out or incorporated herein.

8. Counterparts

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

9. Governing law

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

Credit Facilities Agreement

originally dated 28 January 2013
(as amended and amended and restated from time to time)
and as further amended and restated pursuant to
an amendment and restatement agreement dated 23 November 2016,
an amendment and restatement agreement dated 15 March 2021 and
an amendment and restatement agreement dated 29 November 2024
and as further amended and amended and restated from time to time

between

Studio City Investments Limited
as Parent

Studio City Company Limited
as Borrower

Bank of China Limited, Macau Branch
(as the immediate replacement of Deutsche Bank AG, Hong Kong Branch)
as Agent

Bank of China Limited, Macau Branch
as Original Lender

Industrial and Commercial Bank of China (Macau) Limited
as Common Security Agent

and others

White & Case
16th Floor, York House, The Landmark
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This Agreement is originally dated 28 January 2013, was amended and amended and restated from time to time and was further amended and restated on the 2016 Amendment and Restatement Effective Date, the 2021 Amendment and Restatement Effective Date and the 2024 Amendment and Restatement Effective Date, respectively, and is made among:

Between:

- (1) **STUDIO CITY INVESTMENTS LIMITED**, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673083), whose registered office is at Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands (the “**Parent**”);
- (2) **STUDIO CITY COMPANY LIMITED**, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673603), whose registered office is at Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands (the “**Borrower**”);
- (3) **THE PERSONS** listed in Part 3 of Schedule 1 (*Original Parties*) as guarantors (the “**2024 Original Guarantors**”);
- (4) **THE FINANCIAL INSTITUTION** listed in Part 1 and in Part 2 of Schedule 1 (*Original Parties*) as the Original Facility A Lender and the Original Revolving Facility Lender (the “**Original Lender**”);
- (5) **BANK OF CHINA LIMITED, MACAU BRANCH** (having immediately replaced Deutsche Bank AG, Hong Kong Branch), incorporated with limited liability under the laws of the People’s Republic of China as facility agent of the other Finance Parties (the “**Agent**”);
- (6) **INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**, incorporated with limited liability under the laws of the Macau SAR as security agent and trustee for the Secured Parties (the “**Common Security Agent**”); and
- (7) **INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED**, incorporated with limited liability under the laws of the Macau SAR as agent for the Common Security Agent under the Power of Attorney (the “**POA Agent**”).

It is agreed:

SECTION 1 INTERPRETATION

1. Definitions and interpretation

1.1 Definitions

In this Agreement, having regard in particular to paragraphs (k) and (l) of Clause 1.2 (*Construction*):

“**2016 Amendment and Restatement Agreement**” means the amendment and restatement agreement dated 23 November 2016 between, among others, the Borrower, the Original Guarantors, the Agent and the Common Security Agent (as Security Agent, as it was then known).

“**2016 Amendment and Restatement Effective Date**” means the “Effective Date” as defined in the 2016 Amendment and Restatement Agreement.

“2021 Amendment and Restatement Agreement” means the amendment and restatement agreement dated 15 March 2021 between, among others, the Borrower, the 2024 Original Guarantors, the Agent and the Common Security Agent amending and restating this Agreement.

“2021 Amendment and Restatement Effective Date” means the “Effective Date” as defined in the 2021 Amendment and Restatement Agreement.

“2024 Amendment and Restatement Agreement” means the amendment and restatement agreement dated on or about 29 November 2024 between, among others, the Borrower, the 2024 Original Guarantors, the Agent and the Common Security Agent amending and restating this Agreement.

“2024 Amendment and Restatement Effective Date” means the “Effective Date” as defined in the 2024 Amendment and Restatement Agreement.

“Acceleration Event” means an Event of Default in respect of which the Agent has taken any action pursuant to paragraph (b) or (c) of Clause 24.19 (*Acceleration*) in respect of the full principal amount of each of the Utilisation(s) then outstanding in respect of the Revolving Facility.

“Acceptable Bank” means:

- (a) a bank or financial institution which has a rating for its long-term unsecured and non credit-enhanced debt obligations of A- or higher by Standard & Poor’s or Fitch or A3 or higher by Moody’s or a comparable rating from an internationally recognised credit rating agency;
- (b) each of Bank of China Limited, Macau Branch, Banco Nacional Ultramarino, S.A., China Construction Bank (Macau) Corporation Limited, Banco Comercial Português, S.A., Macau Branch, Banco Comercial de Macau, S.A., Tai Fung Bank Limited, Wing Lung Bank Limited, Macau Branch, The Bank of East Asia Limited, Macau Branch, Bank of Communications Co., Ltd. Macau Branch, First Commercial Bank, Macau, Ta Chong Bank;
- (c) any Finance Party or an Affiliate of any Finance Party; or
- (d) any other bank or financial institution approved by the Agent.

“Accession Letter” means a document substantially in the form set out in Schedule 6 (*Form of Accession Letter*).

“Account” has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“Additional Credit Facility Agreement” has the meaning given to that term in the Intercreditor Agreement.

“Additional Guarantor” means a company which becomes a Guarantor in accordance with Clause 27 (*Changes to the Obligors*).

“Additional High Yield Note Documents” means any indenture or similar agreement governing Additional High Yield Notes and each other document or instrument which relates to any Additional High Yield Notes or, as the case may be, Additional High Yield Note Refinancing Indebtedness.

“Additional High Yield Note Refinancing” has the meaning given to that term in the Intercreditor Agreement.

“**Additional High Yield Note Refinancing Indebtedness**” has the meaning given to that term in the Intercreditor Agreement.

“**Additional High Yield Notes**” has the meaning given to that term in the Intercreditor Agreement.

“**Affiliate**” means, in relation to any person, any other person which, directly or indirectly, is in control of, is controlled by, or is under common control with, such person. For purposes of this definition, “**control**” means, in relation to a person, the power, directly or indirectly, to (a) vote 20 per cent. or more of the shares or other securities having ordinary voting power for the election of the board of directors (or persons performing similar functions) of such person or (b) direct or cause the direction of the management and policies of such person, whether by contract or otherwise.

“**Agent**” means the Agent, *provided* that for the purpose of any Continuing Document (only) the reserved meaning (if any) given to this term in connection with that Continuing Document pursuant to paragraph (l) of Clause 1.2 (*Construction*) and the Intercreditor Agreement shall apply.

“**Agent’s Spot Rate of Exchange**” means the Agent’s spot rate of exchange for the purchase of one currency with the Base Currency in the Hong Kong SAR foreign exchange market at or about 11:00 a.m. on a particular day.

“**Amended Land Concession**” means (i) the land concession of a plot of land with an area of 130,789 sq. meters located in the reclaimed land zone between Taipa and Coloane Island, designated as Lotes G300, G310 and G400 registered with the Macau Real Estate Registry under no. 23059, granted by way of lease by the Macau SAR to Propco pursuant to Dispatch no. 100/2001 of the Secretary for Transport and Public Works dated 9 October 2001 and published in the Macau Official Gazette no. 42, II Series on 17 October 2001, as amended in accordance with Dispatch no. 31/2012 of the Secretary for Public Works dated 19 July 2012 and published in the Macau Official Gazette No. 30, II Series on 25 July 2012, as further amended in accordance with Dispatch no. 92/2015 of the Secretary for Public Works dated 10 September 2015 and published in the Macau Official Gazette no. 38, II Series on 23 September 2015 and, on and from 30 December 2022, as adjusted by the transfer of a 43.8/1000 interest (and delivery of the corresponding gaming area) to Macau SAR (with Propco retaining the remaining 956.2/1000 interest in the Property under the said lease), and as may be further amended and supplemented from time to time) and (ii) any other land concession with respect to the Property which is granted to one or more of the members of the Group in replacement of the land concession referred to in (i).

“**Amendment and Restatement Agreement (Intercreditor Agreement)**” means the amendment and restatement agreement dated 7 February 2022 between, among others, the Borrower, the Parent and the Common Security Agent.

“**Ancillary Commencement Date**” means, in relation to an Ancillary Facility, the date on which that Ancillary Facility is first made available, which date shall be a Business Day within the Availability Period for the Revolving Facility.

“**Ancillary Commitment**” means, in relation to an Ancillary Lender and an Ancillary Facility, the maximum amount which that Ancillary Lender has agreed (whether or not subject to satisfaction of conditions precedent) to make available from time to time under an Ancillary Facility and which has been authorised as such under Clause 6 (*Ancillary Facilities*), to the extent that amount is not cancelled or reduced under this Agreement or the Ancillary Documents relating to that Ancillary Facility.

“**Ancillary Document**” means each document relating to or evidencing the terms of an Ancillary Facility.

“**Ancillary Facility**” means any ancillary facility made available by an Ancillary Lender in accordance with Clause 6 (*Ancillary Facilities*).

“**Ancillary Lender**” means each Lender (or Affiliate of a Lender) which makes available an Ancillary Facility in accordance with Clause 6 (*Ancillary Facilities*).

“**Ancillary Outstandings**” means, at any time, in relation to an Ancillary Lender and an Ancillary Facility then in force the aggregate of the equivalents (as calculated by that Ancillary Lender) in the Base Currency of the following amounts outstanding under that Ancillary Facility:

- (a) the principal amount under each overdraft facility and on-demand short term loan facility (net of any Available Credit Balance);
- (b) the face amount of each guarantee, bond and letter of credit under that Ancillary Facility; and
- (c) the amount fairly representing the aggregate exposure (excluding interest and similar charges) of that Ancillary Lender under each other type of accommodation provided under that Ancillary Facility,

in each case as determined by such Ancillary Lender, acting reasonably in accordance with its normal banking practice and in accordance with the relevant Ancillary Document.

“**Anti-Terrorism Law**” means each of:

- (a) the Executive Order;
- (b) the USA Patriot Act;
- (c) the Money Laundering Control Act of 1986, Public Law 99-570 and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency;
- (d) the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et seq, the Trading with the Enemy Act, 50 U.S.C. App. §§ 1 et seq, any executive order or regulation promulgated thereunder and administered by OFAC;
- (e) the U.S. Foreign Corrupt Practices Act of 1977;
- (f) the Iran Sanctions Act of 1996 and the Comprehensive Iran Sanctions, Accountability and Divestment Act of 2010; and
- (g) any similar sanctions, restrictions or embargoes enacted or imposed by Australian Department of Foreign Affairs and Trade, Reserve Bank of Australia, the United Nations, the European Union, the State Secretariat for Economic Affairs of Switzerland, OFAC, HM Treasury of the United Kingdom, the Hong Kong Monetary Authority, the Monetary Authority of Singapore, the Macau Monetary Authority or any other body notified in writing by the Agent (acting on behalf of any Lender) to the Borrower from time to time.

“**Asset Sale**” has the meaning given to that term in Schedule 11 (*Definitions*).

“**Assignment Agreement and Lender Accession Undertaking**” means an agreement substantially in the form set out in Schedule 5 (*Form of Assignment Agreement and Lender Accession Undertaking*) or any other form agreed between the relevant assignor and assignee.

“**Auditors**” means (a) any one of PricewaterhouseCoopers, Ernst & Young, KPMG and Deloitte & Touche, (b) any Affiliate of any auditor referred to in (a) or any entity resulting from amalgamation of any auditor referred to in (a) or (c) any firm of independent public accountants with at established national reputation, in each case that has the necessary skills and experience to audit a group of companies such as the Group.

“**Authorisation**” means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

“**Availability Period**” means, in relation to the Revolving Facility, the period from and including 1 January 2017 up to and including the date falling one Month prior to the Final Repayment Date for the Revolving Facility. The Availability Period in respect of the commitments originally drawn on under this Agreement to fund the advance establishing the Facility A Loan concluded prior to the 2016 Amendment and Restatement Effective Date.

“**Available Commitment**” means, in relation to the Revolving Facility, a Lender’s Commitment under that Facility minus:

- (a) the Base Currency Amount of its participation in any outstanding Utilisations under that Facility and the aggregate amount of its (and its Affiliate’s) Ancillary Commitments; and
- (b) in relation to any proposed Utilisation, the Base Currency Amount of its participation in any other Utilisations that are due to be made under that Facility on or before the proposed Utilisation Date and the amount of its (and its Affiliate’s) Ancillary Commitment in relation to any new Ancillary Facility that is due to be made available on or before the proposed Utilisation Date.

For the purposes of calculating a Lender’s Available Commitment in relation to any proposed Utilisation under the Revolving Facility, that Lender’s participation in any Revolving Facility Loans that are due to be repaid or prepaid on or before the proposed Utilisation Date and that Lender’s (and its Affiliate’s) Ancillary Commitments to the extent that they are due to be reduced or cancelled on or before the proposed Utilisation Date shall not be deducted from a Lender’s Commitment under the Revolving Facility.

“**Available Credit Balance**” means, in relation to an Ancillary Facility, credit balances on any account of the Borrower with the Ancillary Lender making available that Ancillary Facility to the extent that those credit balances are freely available to be set off by that Ancillary Lender against liabilities owed to it by the Borrower.

“**Available Facility**” means, in relation to a Facility, the aggregate for the time being of each Lender’s Available Commitment in respect of that Facility. The Available Facility in respect of Facility A is nil.

“**Base Currency**” means Hong Kong dollars.

“**Base Currency Amount**” means:

- (a) in relation to a Utilisation, the amount specified in the Utilisation Request delivered by the Borrower for that Utilisation (or, if the amount requested is not denominated in the Base Currency, that amount converted into the Base Currency at the Agent’s Spot Rate of Exchange on the date which is three (3) Business Days before the Utilisation Date or, if later, on the date the Agent receives the Utilisation Request in accordance with the terms of this Agreement), as adjusted to reflect any repayment, prepayment, consolidation or division of a Utilisation; and
- (b) in relation to any other amount as at any date which is not denominated in the Base Currency, that amount converted into the Base Currency at the Agent’s Spot Rate of Exchange on that date.

“**Benchmark Rate**” means, in relation to any Loan in an Optional Currency:

- (a) the applicable Screen Rate as of 11:00 a.m. (London time) on the Quotation Date and for a period equal in length to the Interest Period of that Loan; or
- (b) as otherwise determined pursuant to Clause 13.1 (*Absence of quotations*),

and if, in either case, that rate is less than zero, the Benchmark Rate shall be deemed to be zero.

“**Bondco**” has the meaning given to that term in the Intercreditor Agreement.

“**Bondco Loan**” has the meaning given to that term in the Intercreditor Agreement.

“**Bondco Loan Agreement**” has the meaning given to that term in the Intercreditor Agreement.

“**Break Costs**” means the amount (if any) by which:

- (a) the interest excluding the Margin which a Lender should have received for the period from the date of receipt of all or any part of its participation in a Loan or Unpaid Sum to the last day of the current Interest Period in respect of that Loan or Unpaid Sum, had the principal amount or Unpaid Sum received been paid on the last day of that Interest Period;

exceeds:

- (b) the amount which that Lender would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank in the Relevant Interbank Market for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period.

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are open for general business in the Macau SAR, the Hong Kong SAR and London and:

- (a) (in relation to any date for payment or purchase of USD) New York;
- (b) (in relation to any date for payment or purchase of a currency other than the Base Currency or USD) the principal financial centre of the country of that currency; and
- (c) (in relation to the fixing of an interest rate relating to a Term SOFR Loan) which is a US Government Securities Business Day.

“**Cancellation Notice**” has the meaning given to that term in paragraph (b) of Clause 37.5 (*Replaceable Lenders*).

“**Cash**” means, at any time, cash on hand or cash at bank credited to an account in the name of an Obligor with an Acceptable Bank and in each case to which an Obligor is alone (or with one or more other Obligors) beneficially entitled and for so long as:

- (a) that cash is repayable on demand;
- (b) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any member of the Group or of any other person whatsoever or on the satisfaction of any other condition;
- (c) there is no Security over that cash except Transaction Security or Security falling within paragraphs (8), (9), (10), (14)(i), (14)(ii), (21), (23), (26) and (27) of the definition of “Permitted Liens” in Schedule 11 (*Definitions*); and
- (d) subject to (a) above, such cash is freely and immediately available to be applied in repayment or prepayment of the Facilities.

“Cash Equivalent Investments” means at any time:

- (a) certificates of deposit maturing within one year after the relevant date of calculation and issued by an Acceptable Bank;
- (b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, Hong Kong SAR, Japan, the United Kingdom, Australia, any member state of the European Union or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable to any other security;
- (c) commercial paper not convertible or exchangeable to any other security:
 - (i) for which a recognised trading market exists;
 - (ii) issued by an issuer incorporated in the United States of America, the United Kingdom, any member of the European Economic Area or any Participating Member State;
 - (iii) which matures within one year after the relevant date of calculation; and
 - (iv) which has a credit rating of either A-1 or higher by Standard & Poor’s or F1 or higher by Fitch or P-1 by Moody’s, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non credit-enhanced debt obligations, an equivalent rating;
- (d) any investment accessible within 30 days in money market funds which (i) have a credit rating of either A-1 or higher by Standard & Poor’s or F1 or higher by Fitch or P-1 by Moody’s and (ii) which invest substantially all their assets in securities of the types described in paragraphs (a) to (c) above; or
- (e) any other debt security approved by the Majority Lenders,

in each case, to which any member of the Group is beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any Security (other than Security arising under the Transaction Security Documents).

“Change of Control” has the meaning given to that term in Schedule 11 (*Definitions*).

“Charged Property” has the meaning given to that term in the Intercreditor Agreement.

“Code” means the US Internal Revenue Code of 1986.

“Commitment” means a Revolving Facility Commitment.

“Competitor” means any of the following:

- (a) Genting Berhad;
- (b) Caesars Entertainment Corporation;
- (c) any gaming concessionaire in the Macau SAR (other than Melco Resorts Macau);
- (d) any Subsidiary or Affiliate of any of the above;
- (e) any trust, fund or other entity controlled (as defined in the definition of **“Affiliate”** herein) by any of the above; and
- (f) any entity which is agreed between the relevant Lender and the Borrower to be a “Competitor” in accordance with the requirements of Clause 25.2 (*Conditions of assignment or transfer*).

“Completion Support Release Date” means, for the purpose of any Continuing Document, 30 November 2015.

“Compliance Sale” has the meaning given to that term in Schedule 11 (*Definitions*).

“Confidential Information” means all information relating to the Parent, the Borrower, any Obligor, any Grantor, the Site, the Property, the Services and Right to Use Agreement, the Reimbursement Agreement, the Finance Documents or a Facility of which a Finance Party becomes aware in its capacity as, or for the purpose of becoming, a Finance Party or which is received by a Finance Party in relation to, or for the purpose of becoming a Finance Party under, the Finance Documents or a Facility from either:

- (a) any member of the Group or any of its advisers; or
- (b) another Finance Party, if the information was obtained by that Finance Party directly or indirectly from any member of the Group or any of its advisers,

in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:

- (i) is or becomes public information other than as a direct or indirect result of any breach by that Finance Party of Clause 38 (*Disclosure of information*);
- (ii) is identified in writing at the time of delivery as non-confidential by any member of the Group or any of its advisers; or
- (iii) is known by that Finance Party before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or is lawfully obtained by that Finance Party after that date, from a source which is, as far as that Finance Party is aware, unconnected with the Group and which, as far as that Finance Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality.

“Confidentiality Undertaking” means a confidentiality undertaking substantially in a recommended form of the LMA or in any other form agreed between the Borrower and the Agent.

“Conflicted Lender” means any Lender (which term, for the purposes of this definition shall include any Affiliate of that Lender) which is or is acting on behalf of (including in its capacity as the grantor of a participation or any other agreement pursuant to which such rights may pass) any of the following:

- (a) a Competitor;
- (b) any investor or equity holder in a Competitor; or
- (c) an advisor to any such person referred to in paragraph (a) or (b) above,

in each case, whether before or after such person becomes a Lender and including where a Lender notifies the Agent that it is such (in a Transfer Certificate, Assignment Agreement and Lender Accession Undertaking or otherwise) and where it has been notified as such to the Agent by the Borrower (acting reasonably and in good faith).

“Constitutional Documents” means, collectively, in relation to any person, any certificate of incorporation, memorandum and articles of association, bylaws, shareholders’ agreement, certificate of formation, limited liability company agreement, partnership agreement and any other formation or constituent documents applicable to such person.

“**Continuing Documents**” means (i) the Continuing Macau Documents, the Continuing English Share Charges, the Continuing English Powers of Attorney, the Continuing English Debenture and the Continuing Hong Kong Accounts Charges (each as defined in the Intercreditor Agreement) and (ii) the Services and Right to Use Direct Agreement.

“**Contractor**” means the architects, consultants, designers, contractors, suppliers and other persons engaged by any Obligor in connection with the design, engineering, development, construction, installation, maintenance or operation of the Property.

“**Credit Adjustment Spread**” means, in relation to any Term SOFR Loan, the percentage rate per annum, corresponding to the length of the relevant Interest Period, as set out in the table below (or, in relation to any Interest Period of any other length as the Borrower and the Agent (on the instructions of all the Lenders in relation to the relevant Loan) may agree in accordance with Clause 12 (*Interest Periods*) of this Agreement, such percentage rate per annum as is agreed by such Parties in respect of such Interest Period length):

Length of Interest Period	Applicable Credit Adjustment Spread
One Month or less	0.06 per cent per annum
Three Months or less but more than one Month	0.10 per cent per annum.
Six Months or less but more than three Months.	0.20 per cent per annum

“**Credit Facility Creditors**” has the meaning given to that term in the Intercreditor Agreement.

“**Credit Facility Documents**” has the meaning given to that term in the Intercreditor Agreement.

“**Credit Facility Liabilities**” has the meaning given to that term in the Intercreditor Agreement.

“**Debt Purchase Transaction**” means, in relation to a person, a transaction where such person:

- (a) purchases by way of assignment or transfer;
- (b) enters into any sub-participation in respect of; or
- (c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of, any Commitment or amount outstanding under this Agreement.

“**Debt Service Accrual Account**” has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“**Debt Service Reserve Account**” has the meaning, for the purpose of any Continuing Document, given to that term in Schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“**Default**” means an Event of Default or any event or circumstance specified in Clause 24 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination in accordance with the Finance Documents or any combination of any of the foregoing) be an Event of Default.

“Defaulting Lender” means any Lender (other than a Lender which is a Sponsor Affiliate):

- (a) which has failed to make its participation in a Revolving Facility Loan available or has notified the Agent that it will not make its participation in a Revolving Facility Loan available by the Utilisation Date of that Loan in accordance with Clause 5.4 (*Lenders’ participation*);
- (b) which has otherwise rescinded or repudiated a Finance Document; or
- (c) with respect to which an Insolvency Event has occurred and is continuing,

unless, in the case of paragraph (a) above:

- (i) its failure to pay is caused by:
 - (A) administrative or technical error; or
 - (B) a Disruption Event; andpayment is made within three (3) Business Days of its due date; or
- (ii) the Lender is disputing in good faith whether it is contractually obliged to make the payment in question.

“Delegate” means any delegate, agent, attorney or co-trustee appointed by the Common Security Agent.

“Direct Agreement” has the meaning, for the purpose of any Continuing Document, given to that term in Schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“Designated Gross Amount” means the amount notified by the Borrower to the Agent upon the establishment of a Multi-account Overdraft as being the maximum amount of Gross Outstandings that will, at any time, be outstanding under that Multi-account Overdraft.

“Designated Net Amount” means the amount notified by the Borrower to the Agent upon the establishment of a Multi-account Overdraft as being the maximum amount of Net Outstandings that will, at any time, be outstanding under that Multi-account Overdraft.

“Disposal” means a sale, lease, licence, transfer, loan or other disposal by a person of any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions).

“Disruption Event” means either or both of:

- (a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facilities (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or
- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other Party:
 - (i) from performing its payment obligations under the Finance Documents; or
 - (ii) from communicating with other Parties in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

“**Enforcement Notice**” has the meaning given to that term in the Intercreditor Agreement.

“**Environmental Claim**” means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law.

“**Environmental Law**” means any applicable law or regulation which relates to:

- (a) the pollution or protection of the environment;
- (b) harm to or the protection of human health;
- (c) the conditions of the workplace; or
- (d) any emission or substance capable of causing harm to any living organism or the environment.

“**Environmental Permits**” means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any member of the Group conducted on or from the properties owned or used by any member of the Group.

“**Equity**” has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“**Event of Default**” means any event or circumstance specified as such in Clause 24 (*Events of Default*), *provided* that for the purpose of any Continuing Document (only) the reserved meaning (if any) given to this term in connection with that Continuing Document pursuant to paragraphs (k) and (l) of Clause 1.2 (*Construction*) and the Intercreditor Agreement shall apply.

“**Excess Cashflow**” has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“**Executive Order**” means Executive Order No. 13224 of 23 September 2001—Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism.

“**Facility**” means each of Facility A and the Revolving Facility, *provided* that for the purpose of any Continuing Document (only) the reserved meaning (if any) given to this term (or, correspondingly, “**Facilities**”) in connection with that Continuing Document pursuant to paragraphs (k) and (l) of Clause 1.2 (*Construction*) and the Intercreditor Agreement shall apply.

“**Facility A**” means the term loan facility made available under this Agreement as described in paragraph (a)(i) of Clause 2.1 (*The Facilities*).

“**Facility A Cash Collateral**” means the Security in respect of the Facility A Cash Collateral Account referred to in paragraph (c) of the definition of Facility A Cash Collateral Account.

“**Facility A Cash Collateral Account**” means a Hong Kong dollar denominated account:

- (a) held in the Macau SAR or the Hong Kong SAR by the Borrower with a Facility A Lender;
- (b) identified in a letter between the Borrower and the Agent as the Facility A Cash Collateral Account; and
- (c) subject to Security in favour of the Facility A Lenders (whether directly or through the Common Security Agent) in respect of the Liabilities owed by the Obligors in respect of the principal amount outstanding on the Facility A Loan and in form and substance satisfactory to the Facility A Lenders,

as the same may (subject to the terms of the Intercreditor Agreement) be redesignated, substituted or replaced from time to time.

“**Facility A Cash Collateral Minimum Balance**” means HK\$1,012,500.

“**Facility A Lender**” means:

- (a) the Original Facility A lender identified as such in Part 1 of Schedule 1 (*Original Parties*); and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party as a Lender under Facility A in accordance with Clause 25 (*Changes to the Lenders*),

which, in each case, has not ceased to be a Party as a Facility A Lender in accordance with the terms of this Agreement.

“**Facility A Loan**” means the loan which is owed by the Borrower to the Facility A Lender in the Base Currency.

“**Facility A Participation**” means:

- (a) in relation to the Original Lender, the aggregate amount in HK dollars set opposite its name under the heading “Facility A Participation” in Part 1 of Schedule 1 (*Original Parties*) and the amount of any other Revolving Facility Commitment transferred to it under this Agreement; and
- (b) in relation to any other Lender, the amount in HK dollars of any Facility A Participation transferred to it under this Agreement, to the extent not cancelled, reduced or transferred by it under this Agreement.

“**Facility Office**” means:

- (a) in respect of a Lender, the office or offices notified by that Lender to the Agent in writing on or before the date it becomes a Lender (or, following that date, by not less than five (5) Business Days’ written notice) as the office or offices through which it will perform its obligations under this Agreement; or
- (b) in respect of any other Finance Party, the office in the jurisdiction in which it is resident for tax purposes.

“**FATCA**” means:

- (a) sections 1471 to 1474 of the Code or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraph (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

“FATCA Application Date” means:

- (a) in relation to a “withholdable payment” described in section 1473(1)(A)(i) of the Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014; or
- (b) in relation to a “passthru payment” described in section 1471(d)(7) of the Code not falling within paragraph (a) above, the first date from which such payment may become subject to a deduction or withholding required by FATCA.

“FATCA Deduction” means a deduction or withholding from a payment under a Finance Document required by FATCA.

“FATCA Exempt Party” means a Party that is entitled to receive payments free from any FATCA Deduction.

“Fee Letter” means any letter or letters setting out any of the fees referred to in clause 21.29 (*Common Security Agent’s fee*) of the Intercreditor Agreement, clause 22.2 (*POA Agent’s fee*) of the Intercreditor Agreement or clause 23.23 (*Intercreditor Agent’s fee*) of the Intercreditor Agreement, any letter or letters between the Borrower and an Increase Lender setting out any fee referred to in paragraph (f) of Clause 2.2 (*Increase*) and any other letter or letters between a Finance Party and an Obligor that is designated as a “Fee Letter” by the relevant Finance Party and that Obligor (including, but not limited to, those that set out any of the fees referred to in Clause 14 (*Fees*)).

“Final Repayment Date” means:

- (a) in relation to Facility A, 29 August 2029; and
- (b) in relation to the Revolving Facility, 29 August 2029,

provided that, in each case, if any such date is not a Business Day, the Final Repayment Date shall be the immediately preceding Business Day.

“Finance Document” means:

- (a) this Agreement;
- (b) any Accession Letter;
- (c) any Fee Letter;
- (d) any Selection Notice;
- (e) the Intercreditor Agreement;
- (f) the Amendment and Restatement Agreement (Intercreditor Agreement);
- (g) any Transaction Security Document;
- (h) any Transfer Certificate or Assignment Agreement and Lender Accession Undertaking;
- (i) any Utilisation Request;
- (j) the Mandate Documents;
- (k) the 2016 Amendment and Restatement Agreement;
- (l) the 2021 Amendment and Restatement Agreement;
- (m) the 2024 Amendment and Restatement Agreement;

- (n) any Ancillary Document; and
- (o) any other document designated as a “Finance Document” by the Agent and the Borrower,

provided that for the purpose of any Continuing Document (only) the reserved meaning (if any) given to this term in connection with that Continuing Document pursuant to paragraphs (k) and (l) of Clause 1.2 (*Construction*) and the Intercreditor Agreement shall apply.

“**Finance Party**” means the Agent, the Common Security Agent, the Intercreditor Agent, the Lenders, any Ancillary Lender and the POA Agent, *provided* that for the purpose of any Continuing Document (only) the reserved meaning (if any) given to this term in connection with that Continuing Document pursuant to paragraphs (k) and (l) of Clause 1.2 (*Construction*) and the Intercreditor Agreement shall apply.

“**Financial Indebtedness**” means any indebtedness for or in respect of:

- (a) monies borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the GAAP, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold or discounted on a non-recourse basis);
- (f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value as at the relevant date on which Financial Indebtedness is calculated (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (h) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 180 days after the date of supply;
- (i) any amount raised by the issue of redeemable shares;
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing; and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

“**Financial Model**” means the financial model in the agreed form provided to the Agent in connection with the 2016 Amendment and Restatement Agreement.

“**Financial Quarter**” has the meaning given to that term in Clause 22.3 (*Definitions*).

“**Financial Year**” has the meaning given to that term in Clause 22.3 (*Definitions*).

“**First Utilisation**” means, for the purpose of any Continuing Document, 28 July 2014.

“**Fitch**” means Fitch Ratings Ltd.

“**GAAP**” means the generally accepted accounting principles in the United States of America as in effect from time to time.

“**Gaming Area**” means the gaming area operated by Melco Resorts Macau within the Property under the terms of the Services and Right to Use Agreement.

“**Gaming Concession**” means the agreement executed between Macau SAR and Melco Resorts Macau on 16 December 2022, that sets out the terms and conditions for the operation of games of chance and other games in casino by Melco Resorts Macau in Macau SAR or any other Gaming Licence (as defined in Schedule 11 (*Definitions*)).

“**Gaming Laws**” has the meaning given to that term in Schedule 11 (*Definitions*).

“**Golden Share**” means any share in a company or corporation, the memorandum and/or articles of association in respect of which company or corporation designate as such or give the holder of such share any special pre-emptive rights relative to other shareholders.

“**Governmental Authority**” means, as to any person, the government of the Macau SAR, any other national, state, provincial or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, in each case having jurisdiction over such person, or any arbitrator with authority to bind such person at law.

“**Grantor**” means:

- (a) each of Melco Resorts Macau and SCH5; and
- (b) each other person (other than an Obligor) that grants Security under any Transaction Security Document after the 2016 Amendment and Restatement Effective Date.

“**Gross Outstandings**” means, in relation to a Multi-account Overdraft, the Ancillary Outstandings of that Multi-account Overdraft but calculated on the basis that the words “(net of any Available Credit Balance)” in paragraph (a) of the definition of Ancillary Outstandings were deleted.

“**Group**” means the Parent and each of its Subsidiaries from time to time (each a “**Group Member**”).

“**Group Insured**” has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“**Group Structure Chart**” means the corporate structure chart in the agreed form prepared by the Borrower and delivered to the Agent prior to the date of this Agreement, describing (amongst other things) (i) the ownership structure of the Group, the Original Bondco and SCIH and (ii) all Financial Indebtedness of the Obligors owed to the direct and indirect shareholders of the Parent and all guarantees by the Obligors of Financial Indebtedness of such persons, in each case, indicating whether or not such Financial Indebtedness or guarantee is subordinated to the Secured Obligations.

“**Guarantor**” means a 2024 Original Guarantor or an Additional Guarantor.

“**Hedge Counterparty**” has the meaning given to that term in the Intercreditor Agreement.

“**Hedging Agreement**” has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“**Hedging Liabilities**” has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“**HIBOR**” means, in relation to any Loan denominated in HK dollars and any Interest Period relating thereto:

- (a) the applicable Screen Rate;
- (b) if no Screen Rate is available for HK dollars for the Interest Period of that Loan, the Interpolated Screen Rate; or
- (c) if no Screen Rate is available for the Interest Period of that Loan and it is not possible to calculate an Interpolated Screen Rate for that Loan, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Agent at its request quoted by the Reference Banks to leading banks in the Relevant Interbank Market,

at or about 11:00 a.m. on the Quotation Date for the Base Currency and for a period comparable to the Interest Period for that Loan, and if any such rate is less than zero, such rate shall be deemed to be zero.

“**High Yield Note Disbursement Agreement**” means, for the purpose of any Continuing Document, the note disbursement and account agreement in respect of funds from time to time standing to the credit of the High Yield Note Proceeds Account dated 26 November 2012 and made between, among others, the Borrower, the Original Bondco and the High Yield Note Trustee.

“**High Yield Note Document**” means each High Yield Note Indenture, each Bondco Loan Agreement and each other document or instrument which relates to any High Yield Notes or, as the case may be, High Yield Note Refinancing Indebtedness.

“**High Yield Note Guarantees**” means the guarantees provided by any Obligor:

- (a) to the High Yield Note Trustee in respect of the High Yield Notes issued prior to the date of this Agreement; or
- (b) in respect of any Additional High Yield Note, Additional High Yield Note Refinancing Indebtedness or High Yield Note Refinancing Indebtedness.

“**High Yield Note Indenture**” means the indenture dated 26 November 2012 made between (among others) the Original Bondco and the High Yield Note Trustee or any equivalent High Yield Note Document in respect of any High Yield Note Refinancing Indebtedness issued by way of debt securities (in each case, as amended or supplemented from time to time).

“**High Yield Note Interest Reserve Account**” has the meaning, for the purpose of any Continuing Document, given to the term “Note Interest Reserve Account” in the High Yield Note Disbursement Agreement.

“**High Yield Note Proceeds Account**” has the meaning, for the purpose of any Continuing Document, given to the term “Note Proceeds Account” in the High Yield Note Disbursement Agreement.

“**High Yield Note Refinancing**” means a refinancing of any amount outstanding under or in connection with the High Yield Notes issued prior to the date of this Agreement or any Successor High Yield Notes from the proceeds of an issue by a Bondco of high yield notes or other Financial Indebtedness (each, “**High Yield Note Refinancing Indebtedness**”) where:

- (a) the terms thereof are no less favourable to the Finance Parties than the terms of the High Yield Notes issued prior to the date of this Agreement (and do not have an adverse effect on the interests of the Finance Parties);
- (b) the terms thereof (including, without limitation, the terms of any related guarantees, security or other credit support) are no more onerous to any Obligor (for the avoidance of doubt, an increase in pricing payable by any Obligor when compared to the High Yield Notes shall be more onerous) and do not provide for any redemptions on a date falling prior to the last Termination Date applicable to the Facilities; and
- (c) the scope (including the assets subject to security, the persons giving security, guarantees or other credit support and the amount of financial obligations guaranteed, secured or supported by any Obligor) of any security, guarantees or credit support given in connection with such High Yield Notes Refinancing Indebtedness by any Obligor shall be no greater than the security, guarantees and credit support granted (and financial obligations guaranteed, secured or supported by any Obligor) pursuant to the High Yield Note Documents entered into prior to the date of this Agreement.

“High Yield Note Trustee” means DB Trustees (Hong Kong) Limited (or its permitted successor or assign) as trustee for the High Yield Noteholders on the terms set out in the High Yield Note Indenture or its equivalent under any other High Yield Note Document.

“High Yield Noteholders” means the holders of the High Yield Notes or High Yield Note Refinancing Indebtedness from time to time issued by way of debt securities.

“High Yield Notes” means the US\$825,000,000 8.500% senior notes due 2020 which were issued by the Original Bondco and subject to the terms of the High Yield Note Indenture dated 26 November 2012 or any Financial Indebtedness incurred by way of High Yield Note Refinancing.

“Historic Term SOFR” means, in relation to any Term SOFR Loan, the most recent Term SOFR for a period equal in length to the Interest Period of that Term SOFR Loan and which is as of a US Government Securities Business Day which is no more than three US Government Securities Business Days before the Quotation Date.

“HK\$”, “HKD”, “Hong Kong dollars” or “HK dollars” denotes the lawful currency of the Hong Kong SAR.

“Holding Company” means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

“Hong Kong SAR” means the Hong Kong Special Administrative Region of the People’s Republic of China.

“Illegal Lender” means a Lender whom an Obligor is or becomes obliged to repay or prepay pursuant to Clause 8.1 (*Illegality*).

“Impaired Agent” means the Agent at any time when:

- (a) it has failed to make (or has notified a Party that it will not make) a payment required to be made by it under the Finance Documents by the due date for payment;
- (b) it otherwise rescinds or repudiates a Finance Document;
- (c) (if the Agent is also a Lender) it is a Defaulting Lender under paragraph (a) or (b) of the definition of “Defaulting Lender”; or
- (d) an Insolvency Event has occurred and is continuing with respect to the Agent;

unless, in the case of paragraph (a) above:

- (i) its failure to pay is caused by:
 - (A) administrative or technical error; or
 - (B) a Disruption Event; andpayment is made within three (3) Business Days of its due date; or
- (ii) the Agent is disputing in good faith whether it is contractually obliged to make the payment in question.

“Increase Confirmation” means a confirmation substantially in the form set out in Schedule 9 (*Form of Increase Confirmation*).

“Increase Lender” has the meaning given to that term in paragraph (a)(i) of Clause 2.2 (*Increase*).

“Increased Costs Lender” means a Lender to whom the Borrower is required to pay Increased Costs under Clause 16 (*Increased Costs*), to make a tax gross-up under Clause 15.2 (*Tax gross-up*) or tax indemnity under Clause 15.3 (*Tax indemnity*).

“Indirect Tax” means any goods and services tax, consumption tax, value added tax or any tax of a similar nature.

“Insolvency Event” means, in relation to a Finance Party, that the Finance Party:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official;
- (e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:
 - (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
 - (ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;
- (f) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

- (g) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (h) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;
- (i) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (h) above; or
- (j) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

“Insurance Policy” means, for the purpose of any Continuing Document, any policy of insurance (other than any public liability, third party liability, workers compensation or legal liability insurance or any other insurances the proceeds of which are payable to employees or officers of any Chargor or any other relevant third party) which any Obligor is required to effect or maintain under the Facilities Agreement and in which the relevant Chargor may from time to time have an interest and which is taken out, placed or effected with an insurer.

“Intellectual Property” means:

- (a) any patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered; and
- (b) the benefit of all applications and rights to use any such assets referred to in paragraph (a) above,

of each member of the Group.

“Intercompany Note Proceeds Loan” has the meaning given to that term in Schedule 11 (*Definitions*).

“Intercreditor Agreement” means the intercreditor agreement entered into between, among others, the Parent, the Borrower, the Original Bondco, the Lenders, the Agent and the Common Security Agent on 1 December 2016 (November 30, 2016 New York time) (as amended and/or restated from time to time, including as amended and restated by the Amendment and Restatement Agreement (Intercreditor Agreement)).

“Interest Period” means, in relation to a Loan, each period determined in accordance with Clause 12 (*Interest Periods*) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 11.4 (*Default interest*).

“Interpolated Historic Term SOFR” means, in relation to any Term SOFR Loan, the rate (rounded to the same number of decimal places as the Term SOFR) which results from interpolating on a linear basis between:

- (a) either:
 - (i) the most recent Term SOFR (as of a day which is not more than three US Government Securities Business Days before the Quotation Date) for the longest period (for which Term SOFR is available) which is less than the Interest Period of that Term SOFR Loan; or

- (ii) if no such Term SOFR is available for a period which is less than the Interest Period of that Term SOFR Loan, the most recent Overnight SOFR for a day which is not more than five, and not less than two, US Government Securities Business Days before the Quotation Date; and
- (b) the most recent Term SOFR (as of a day which is not more than three US Government Securities Business Days before the Quotation Date) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period of that Term SOFR Loan.

“Interpolated Screen Rate” means:

- (a) in relation to HIBOR, the rate which results from interpolating on a linear basis (rounded to the same number of decimal places as the two relevant Screen Rates) between:
 - (i) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of a Loan; and
 - (ii) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,each as of 11:00 a.m. (Hong Kong SAR time) on the Quotation Date for the Base Currency; and
- (b) in relation to a Benchmark Rate for a Loan in an Optional Currency, the rate which results from interpolating on a linear basis (rounded to the same number of decimal places as the two relevant Screen Rates) between:
 - (i) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of a Loan; and
 - (ii) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,each as of 11:00 a.m. (London time) on the Quotation Date for the relevant Optional Currency.

“Interpolated Term SOFR” means, in relation to any Term SOFR Loan, the rate (rounded to the same number of decimal places as Term SOFR) which results from interpolating on a linear basis between:

- (a) either:
 - (i) Term SOFR (as of 11:00 a.m. (Hong Kong SAR time)) for the longest period (for which Term SOFR is available) which is less than the Interest Period of that Term SOFR Loan; or
 - (ii) if no such Term SOFR is available for a period which is less than the Interest Period of that Term SOFR Loan, Overnight SOFR for the day that is two US Government Securities Business Days before the Quotation Date; and
- (b) Term SOFR (as of 11:00 a.m. (Hong Kong SAR time)) for the shortest period (for which Term SOFR is available) which exceeds the Interest Period of that Term SOFR Loan.

“Intra-Group Lender” has the meaning given to that term in the Intercreditor Agreement.

“Intra-Group Liabilities” has the meaning given to that term in the Intercreditor Agreement.

“**Joint Venture**” means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity.

“**Legal Opinion**” means any legal opinion delivered to the Agent under or in connection with the conditions precedent referred to in clause 5.1 (*Amendment to the Facilities Agreement*) of the 2016 Amendment and Restatement Agreement, clause 2.1 (*Amendment to the Facilities Agreement*) of the 2021 Amendment and Restatement Agreement or clause 2.1 (*Amendment to the Facilities Agreement*) of the 2024 Amendment and Restatement Agreement or Clause 27 (*Changes to the Obligors*).

“**Legal Requirements**” means all laws, statutes, orders, decrees, injunctions, licenses, permits, approvals, agreements and regulations of any Governmental Authority having jurisdiction over the matter in question.

“**Legal Reservations**” means:

- (a) the principle that equitable remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to insolvency, reorganisation and other laws generally affecting the rights of creditors;
- (b) the time barring of claims under statutes of limitation;
- (c) similar principles, rights and defences under the laws of any Relevant Jurisdiction; and
- (d) any other matters which are set out as qualifications or reservations as to matters of law of general application in the Legal Opinions.

“**Lender**” means a Facility A Lender or a Revolving Facility Lender, provided that for the purpose of any Continuing Document (only) the reserved meaning (if any) given to this term in connection with that Continuing Document pursuant to paragraphs (k) and (l) of Clause 1.2 (Construction) and the Intercreditor Agreement shall apply.

“**Liabilities**” means all present and future liabilities and obligations at any time of any Obligor to any Finance Party under the Finance Documents, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

- (a) any refinancing, novation, deferral or extension;
- (b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition;
- (c) any claim for damages or restitution; and
- (d) any claim as a result of any recovery by any Obligor of a Payment on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings

“**LMA**” means the Loan Market Association.

“**Loan**” means a Facility A Loan or a Revolving Facility Loan.

“**Macau Obligor**” means any Obligor incorporated in the Macau SAR.

“**Macau SAR**” means the Macau Special Administrative Region of the People’s Republic of China.

“**Major Project Documents**” has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“**Majority Lenders**” means:

- (a) (for the purposes of paragraph (a) of Clause 37.2 (*Required consents*) in the context of a waiver in relation to a proposed Utilisation of the Revolving Facility of the condition in Clause 4.1 (*Utilisation conditions precedent*)), a Lender or Lenders whose Revolving Facility Commitments aggregate more than 50 per cent. of the Total Revolving Facility Commitments; and
- (b) (in any other case) a Lender or Lenders whose Revolving Facility Commitments and participations in the Facility A Loan aggregate 50 per cent. or more of the sum of the Total Revolving Facility Commitments and the outstanding principal amount of the Facility A Loan.

“**Mandate Documents**” means the commitment letter entered into on 9 November 2016 between the Original Lender and the Borrower.

“**Margin**” means, in relation to any Loan or Unpaid Sum, 2.25 per cent. per annum.

“**Material Adverse Effect**” means any event or circumstance which (after taking into account all relevant circumstances) has a material adverse effect on:

- (a) the business, operations, property or financial condition of the Group (taken as a whole); or
- (b) the ability of the Obligor (taken as a whole) to perform any of their payment obligations under the Finance Documents; or
- (c) subject to the Legal Reservations and the Perfection Requirements, the validity or enforceability of, or the effectiveness or ranking of any Transaction Security granted or purporting to be granted pursuant to any of, the Finance Documents or the rights or remedies of any Finance Party under any of the Finance Documents.

“**MCO Cotai**” means MCO Cotai Investments Limited (formerly known as MCE Cotai Investments Limited), an exempted company incorporated with limited liability under the laws of the Cayman Islands (with registered number 254216) whose registered address is at Intertrust Corporate Services (Cayman) Limited, One Nexus Way, Camana Bay, Grand Cayman, KY1-9005, Cayman Islands.

“**Melco Resorts**” means Melco Resorts & Entertainment Limited (formerly known as Melco Crown Entertainment Limited), an exempted company incorporated with limited liability under the laws of the Cayman Islands (with registered number 143119) with registered address: Intertrust Corporate Services (Cayman) Limited, One Nexus Way, Camana Bay, Grand Cayman, KY1-9005, Cayman Islands.

“**Melco Resorts Macau**” means Melco Resorts (Macau) Limited (formerly known as Melco Crown (Macau) Limited), a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry under number 24325 SO, with registered office at Estrada do Istmo, City of Dreams, Executive Office (L2M), Cotai, Macau.

“**Month**” means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

- (a) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;
- (b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and
- (c) if an Interest Period begins on the last Business Day of a calendar month and, consistent with the terms of this Agreement, that Interest Period is to be of a duration equal to a whole number of Months, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end.

The above rules will only apply to the last Month of any period. “**Monthly**” shall be construed accordingly.

“**Moody’s**” means Moody’s Investors Service, Inc.

“**Multi-account Overdraft**” means an Ancillary Facility which is an overdraft facility comprising more than one account.

“**Net Outstandings**” means, in relation to a Multi-account Overdraft, the Ancillary Outstandings of that Multi-account Overdraft.

“**New Cotai, LLC**” a limited liability company formed in Delaware, United States of America (with registered number 4114248), c/o New Cotai Holdings, LLC, of Two Greenwich Plaza, Greenwich, Connecticut 06830, United States of America.

“**New Sponsor**” means any person to whom Silverpoint assigns or transfers all or part of its indirect beneficial interest in the shares or other equity interests of SCIH in accordance with the Shareholders’ Agreement.

“**Non-Consenting Lender**” means any Lender which does not and continues not to consent to any decision requiring a waiver or amendment or other consent requested in respect of any of the Facilities, if:

- (a) the Borrower or the Agent (at the request of the Borrower) has requested the Lenders to give a consent in relation to, or to agree to a waiver or amendment of, any provisions of the Finance Documents;
- (b) the consent, waiver or amendment in question requires the approval of all the Lenders; and
- (c) Lenders whose Revolving Facility Commitments aggregate more than 80 per cent. of the Total Revolving Facility Commitments (or, if the Total Revolving Facility Commitments have been reduced to zero, aggregated more than 80 per cent. of the Total Revolving Facility Commitments immediately prior to that reduction) have consented or agreed to such waiver or amendment.

“**Non-Market Lender**” means any Lender whose Revolving Facility Commitment or any participation in any Loan under any Revolving Facility is being included to trigger a Market Disruption Event pursuant to paragraph (ii) of the definition of that term.

“**Non-Responding Lender**” means any Lender that fails to:

- (a) accept or reject a request by or on behalf of any of the Obligors for any waiver, amendment or other consent requested in relation to any of the Facilities within 10 Business Days (or, if the Borrower agrees to a longer time period in relation to that request or the Borrower specifies a longer period in that request during which a Lender may respond, on or prior to the expiry of such longer period so agreed or specified by the Borrower) of a written request; or

(b) sign a Transfer Certificate within 10 Business Days of any request pursuant to paragraph (a) of Clause 37.5 (*Replaceable Lenders*).

“**Notifiable Debt Purchase Transaction**” has the meaning given to that term in paragraph (b) of Clause 26.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates*).

“**Obligor**” means the Borrower or a Guarantor.

“**Obligors’ Agent**” means the Parent, appointed to act on behalf of each Obligor in relation to the Finance Documents pursuant to Clause 2.4 (*Obligors’ Agent*).

“**OFAC**” means the Office of Foreign Assets Control of the US Department of Treasury.

“**Onshore Security Documents**” means any Transaction Security Document governed by or expressed to be governed by the law of the Macau SAR.

“**Optional Currency**” means a currency (other than the Base Currency) which complies with the conditions set out in Clause 4.3 (*Conditions relating to Optional Currencies*).

“**Original Bondco**” means Studio City Finance Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673307), whose registered office is at Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands.

“**Original Financial Statements**” means the audited consolidated financial statements of the Parent for the Financial Year ended 31 December 2015.

“**Original Guarantor**” means each 2024 Original Guarantor other than Studio City (HK) Two Limited (新濠影匯(香港)第二有限公司).

“**Overnight SOFR**” means the secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published (before any correction, recalculation or republication by the administrator) by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).

“**Pari Passu Debt Creditor**” has the meaning given to that term in the Intercreditor Agreement.

“**Pari Passu Debt Document**” has the meaning given to that term in the Intercreditor Agreement.

“**Pari Passu Debt Liability**” has the meaning given to that term in the Intercreditor Agreement.

“**Participating Member State**” means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“**Participation**” means a Debt Purchase Transaction other than a purchase falling within paragraph (a) of the definition thereof.

“**Party**” means a party to this Agreement.

“**Patacas**” or “**MOP**” denotes the lawful currency of the Macau SAR.

“Payment” means, in respect of any Liabilities (or any other liabilities or obligations), a payment, prepayment, repayment, redemption, defeasance or discharge of those Liabilities (or any other liabilities or obligations).

“Perfection Requirements” means the making or the procuring of the appropriate registrations, filing, endorsements, notarisation, stamping and notifications of the Transaction Security Documents or the Transaction Security created thereunder.

“Permits” means all approvals, licences, consents, permits, Authorisations, registrations and filings, necessary in connection with the execution, delivery, completion, implementation, perfection or performance, admission into evidence or enforcement of the Transaction Documents on the terms thereof and all material approvals, licences, consents, permits, Authorisations, registrations and filings required for the design, development, construction, ownership, maintenance, operation or management of the Property and business of the Group as contemplated under the Transaction Documents.

“Permitted Distribution” has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“Permitted Investment” means the following:

- (a) securities issued, or directly and fully guaranteed or insured, by the United States government or any agency or instrumentality of the United States government (as long as the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than nine months from the date of acquisition;
- (b) securities issued, or directly and fully guaranteed or insured, by the government of the Hong Kong SAR or any agency or instrumentality of the government of the Hong Kong SAR (as long as the full faith and credit of the Hong Kong SAR is pledged in support of those securities) having maturities of not more than nine months from the date of acquisition;
- (c) interest bearing demand or time deposits (which may be represented by certificates of deposit) issued by Acceptable Banks or, if not issued by an Acceptable Bank, secured at all times, in the manner and to the extent provided by law, by collateral security in sub-paragraph (a) or (b) above, of a market value of no less than the amount of monies so invested;
- (d) repurchase obligations with a term of not more than seven days for underlying securities of the types described in sub-paragraphs (a), (b) and (c) above entered into with any financial institution meeting the qualifications specified in sub-paragraph (c) above;
- (e) commercial paper having a rating of A-2 or P-2 from S&P or Moody’s respectively and in each case maturing within nine months after the date of acquisition;
- (f) any investment in money market funds which (i) have a credit rating of either A-2 or higher by Standard & Poor’s Rating Services or F2 or higher by Fitch or P-2 or higher by Moody’s Investor Services Limited, (ii) which invest substantially all their assets in securities of the types described in sub-paragraphs (a) to (e) above and (iii) can be turned into cash on not more than 30 days’ notice; and
- (g) any other debt security approved by the Majority Lenders

“Permitted Land Concession Amendment” has the meaning given to that term in Schedule 11 (*Definitions*).

“Permitted Lien” has the meaning given to that term in Schedule 11 (*Definitions*).

“**Permitted Transferee**” means, in relation to a Transfer, a bank, financial institution (including a trust), fund, vehicle or other entity which is regularly engaged in, or established for the purposes of making, purchasing or investing in, syndicated loans but excludes a Conflicted Lender.

“**Pledge of Enterprise**” has the meaning, for the purpose of any Continuing Document, given to that term in schedule 5 (*Continuing Documents*) of the Intercreditor Agreement.

“**Phase I Construction Contract**” means each contract entered into or proposed to be entered into between Propco or any other Obligor and a Contractor in respect of the Property.

“**Phase II Project**” has the meaning given to it in Schedule 11 (*Definitions*).

“**Power of Attorney**” has the meaning given to that term in the Intercreditor Agreement.

“**Propco**” means Studio City Developments Limited, a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry under number 14311 SO, with registered office at Avenida da Praia Grande, no. 762-840, China Plaza, 8/Floor “C”, Macau.

“**Property**” has the meaning given to it in Schedule 11 (*Definitions*).

“**Project**” means the Site.

“**Projections**” has the meaning given to that term in paragraph (a) of Clause 21.13 (*No misleading information*).

“**Quarter Date**” has the meaning given to that term in Clause 22.3 (*Definitions*).

“**Quarterly Financial Statements**” has the meaning given to that term in Clause 22.3 (*Definitions*).

“**Quotation Date**” means, in relation to any period for which an interest rate is to be determined:

- (a) for the Base Currency, the first day of that period;
- (b) for any Optional Currency (other than US dollars), two (2) Business Days prior to the first day of that period; and
- (c) for US dollars, two US Government Securities Business Days before the first day of that period.

“**Receiver**” means a receiver, receiver and manager, administrative receiver or analogous person in any Relevant Jurisdiction of the whole or any part of the Charged Property.

“**Reference Banks**” means:

- (a) (in relation to HIBOR) the principal office in the Hong Kong SAR or the Macau SAR of Industrial and Commercial Bank of China (Macau) Limited and Bank of China Limited or such other banks as may be appointed by the Agent in consultation with the Borrower; and
- (b) (in relation to a Benchmark Rate for a Loan in an Optional Currency) such banks and office locations as may be designated for such purposes by the Agent in consultation with the Borrower from time to time.

“**Reference Rate**” means, in relation to any Term SOFR Loan:

- (a) the applicable Term SOFR on the Quotation Date for the Term SOFR Loan and for a period equal in length to the Interest Period of that Loan; or
- (b) as otherwise determined pursuant to Clause 13.5 (*Unavailability of Term SOFR*),

and if, in either case, the aggregate of that rate and the applicable Credit Adjustment Spread is less than zero, the Reference Rate shall be deemed to be such a rate that the aggregate of the Reference Rate and the applicable Credit Adjustment Spread is zero.

“Reimbursement Agreement” means the reimbursement agreement dated 15 June 2012 and entered into between SCE and Melco Resorts Macau (as may be amended, restated, modified, supplemented, extended, replaced (whether upon or after termination or otherwise or whether with the original or other relevant parties) or renewed, in whole or in part, from time to time, including pursuant to the Direct Agreement).

“Related Fund”, in relation to a fund (the **“first fund”**), means a fund which is managed or advised by the same investment manager or adviser or an Affiliate thereof as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.

“Relevant Interbank Market” means, in relation to HK dollars, the Hong Kong SAR interbank market, in relation to US dollars, for a Term SOFR Loan, the market for overnight cash borrowing in USD collateralised by US Government securities and, in relation to any other currency and a Facility, such other interbank market agreed by all of the Lenders with a Commitment in respect of that Facility and the Borrower.

“Relevant Jurisdiction” means, in relation to an Obligor or Grantor:

- (a) its jurisdiction of incorporation;
- (b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated;
- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the Transaction Security Documents entered into by it.

“Repayment Instalment” means, for the purpose of any Continuing Document, any instalment for repayment of the Facility A Loan (which, for the avoidance of doubt, there are none).

“Repeating Representations” means each of the representations set out in Clause 21 (*Representations*) other than Clause 21.9 (*No filing or stamp taxes*), Clause 21.10 (*Deduction of Tax*), paragraphs (a) and (b) of Clause 21.13 (*No misleading information*) and Clause 21.14 (*Financial statements*).

“Replaceable Lender” means a Conflicted Lender, a Defaulting Lender, an Increased Costs Lender, an Illegal Lender, a Non-Consenting Lender or a Non-Market Lender but, in each case, shall not include any Lender that is a Sponsor Affiliate.

“Representative” means, for the purpose of any Continuing Document, any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian.

“Resignation Letter” means a document substantially in the form set out in Schedule 7 (*Form of Resignation Letter*).

“Restricted Party” means any person listed:

- (a) in the Annex to the Executive Order;

- (b) on the “Specially Designated Nationals and Blocked Persons” list maintained by OFAC; or
- (c) in any successor list to either of the foregoing.

“**Revolving Facility**” means the revolving loan facility made available pursuant to this Agreement as described in paragraph (b) of Clause 2.1 (*The Facilities*).

“**Revolving Facility Commitment**” means:

- (a) in relation to the Original Lender, the aggregate amount in HK dollars set opposite its name under the heading “Revolving Facility Commitment” in Part 2 of Schedule 1 (*Original Parties*) and the amount of any other Revolving Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*); and
- (b) in relation to any other Lender, the amount in HK dollars of any Revolving Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

“**Revolving Facility Lender**” means:

- (a) the Original Revolving Facility Lender identified as such in Part 2 of Schedule 1 (*Original Parties*); and
- (b) any bank, financial institution, trust, fund or other entity which has become a Party as a Revolving Facility Lender in accordance with Clause 2.2 (*Increase*) or Clause 25 (*Changes to the Lenders*),

which, in each case, has not ceased to be a Party as a Revolving Facility Lender in accordance with the terms of this Agreement, and for which purposes the:

- (a) termination in full of all of the Commitment(s) of any Revolving Facility Lender; and
- (b) payment in full of all amounts which are payable to such Revolving Facility Lender in such capacity under the Finance Documents,

will result in that Revolving Facility Lender ceasing to be regarded as a Revolving Facility Lender for the purposes of and in relation to any provision of any of the Finance Documents requiring consultation with or the consent or approval of or instruction from all the Lenders, any Majority Lenders and/or any class or all the Lenders (other than as Facility A Lender, if applicable).

“**Revolving Facility Loan**” means a loan made or to be made under the Revolving Facility or the principal amount outstanding for the time being of that loan.

“**Rollover Loan**” means one or more Revolving Facility Loans:

- (a) made or to be made on the same day that a maturing Revolving Facility Loan is due to be repaid;
- (b) the aggregate amount of which is equal to or less than the amount of that maturing Revolving Facility Loan; and
- (c) made or to be made to the Borrower for the purpose of refinancing that maturing Revolving Facility Loan.

“**SCE**” means Studio City Entertainment Limited (formerly known as MSC Diversões, Limitada and previously as New Cotai Entertainment (Macau) Limited), a company incorporated under the laws of the Macau SAR, registered with the Macau Commercial Registry number 27610 SO, with registered office at Avenida da Praia Grande, no. 762-840, China Plaza, 8/Floor “C”, Macau.

“**SCH5**” means Studio City Holdings Five Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1789892), whose registered office is at Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands.

“**SCIH**” means Studio City International Holdings Limited, an exempted company registered by way of continuation with limited liability under the laws of Cayman Islands (company number 343696), whose registered office is at Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands.

“**Screen Rate**” means:

- (a) in relation to HIBOR, the Hong Kong SAR interbank offered rate administered by the Treasury Markets Association (or any other person which takes over the administration of that rate) for HK dollars for the relevant period displayed on page HKABHIBOR of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate); and
- (b) in relation to a Benchmark Rate for a Loan in an Optional Currency, the rate designated by the Agent (acting on the instructions of all the Lenders under the Revolving Facility pursuant to which that Loan was made) and the Borrower from time to time,

or, in each case, on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters. If such page or service ceases to be available, the Agent may specify another page or service displaying the relevant rate after consultation with the Borrower.

“**Secured Obligations**” has the meaning given to that term in the Intercreditor Agreement.

“**Secured Obligations Document**” has the meaning given to that term in the Intercreditor Agreement.

“**Secured Parties**” has the meaning given to that term in the Intercreditor Agreement.

“**Security**” means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Security Agent**” means the Common Security Agent.

“**Selection Notice**” means a notice substantially in the form set out in Part 2 of Schedule 3 (*Requests and notices*) given in accordance with Clause 12 (*Interest Periods*) in relation to the Facility A Loan.

“**Services and Right to Use Agreement**” means the Studio City Casino Agreement dated 11 May 2007 and originally made between SCE, New Cotai Entertainment, LLC and Melco Resorts Macau as amended, restated and supplemented from time to time, including pursuant to a supplemental agreement dated 15 June 2012 made between SCE, Melco Resorts Macau and New Cotai Entertainment, LLC and a supplemental agreement dated 23 June 2022 made between SCE and Melco Resorts Macau.

“**Services and Right to Use Agreement Confidential Information**” means any Confidential Information which relates to, which contains or is derived or copied from the Services and Right to Use Agreement and/or the Reimbursement Agreement.

“**Services and Right to Use Direct Agreement**” means the direct agreement dated 26 November 2013 and entered into between, among others, SCE, Melco Resorts Macau and the Common Security Agent in relation to the Services and Right to Use Agreement and the Reimbursement Agreement, as amended or modified from time to time.

“**Shareholders’ Agreement**” means the shareholders’ agreement dated 27 July 2011 and made between MCO Cotai, New Cotai, LLC and others (as amended from time to time).

“**Silverpoint**” means Silver Point Capital, L.P. and any successor to the investment management business thereof.

“**Site**” means the land described in the Amended Land Concession, including the casino area that corresponds to the 43.8/1000 interest that was transferred to Macau SAR on 31 December 2022.

“**Specific Contracts**” means, for the purpose of any Continuing Document, the Hedging Agreements (other than SA Hedging Agreements).

“**Sponsor Affiliate**” means:

- (a) in the case of Melco Resorts, Melco Resorts and its Subsidiaries (other than any member of the Group);
- (b) in the case of Silverpoint, Silverpoint, each of its Affiliates (other than any member of the Group), any trust of which Silverpoint or any of such Affiliates is a trustee, any partnership of which Silverpoint or any of such Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, Silverpoint or any of such Affiliates, *provided that* any such trust, fund or other entity which has been established for at least 6 months solely for the purpose of making, purchasing or investing in loans or debt securities and which is managed or controlled independently from all other trusts, funds or other entities managed or controlled by Silverpoint or any of such Affiliates which have been established for the primary or main purpose of investing in the share capital of companies shall not constitute a Sponsor Affiliate; and
- (c) in the case of a New Sponsor, the New Sponsor, each of its Affiliates (other than any member of the Group), any trust of which the New Sponsor or any of such Affiliates is a trustee, any partnership of which the New Sponsor or any of its Affiliates is a partner and any trust, fund or other entity which is managed by, or is under the control of, the New Sponsor or any of such Affiliates, *provided that* any such trust, fund or other entity which has been established for at least 6 months solely for the purpose of making, purchasing or investing in loans or debt securities and which is managed or controlled independently from all other trusts, funds or other entities managed or controlled by the New Sponsor or any of such Affiliates which have been established for the primary or main purpose of investing in the share capital of companies shall not constitute a Sponsor Affiliate.

“**Sponsor Group Loans**” means any Financial Indebtedness owed by the Parent to any Sponsor Group Shareholder pursuant to any document or instrument setting out the terms of any credit facility, loan, notes, indenture or debt security or, as the case may be, any undocumented arrangement or contract (whether by way of book entry or otherwise) establishing the same.

“**Sponsor Group Shareholder**” means any direct or indirect shareholder of the Parent which is a Sponsor Affiliate, a Subsidiary of a Sponsor Affiliate or which would be a Subsidiary of a Sponsor Affiliate were the rights and interests of each Sponsor Affiliate in respect thereof to be combined.

“**Sponsors**” means Melco Resorts, Silverpoint and any New Sponsor and “**Sponsor**” means each of them.

“**Standard & Poor’s**” or “**S&P**” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc..

“**Subordinated Creditor**” means, for the purpose of any Continuing Document, each person that was an original party, or who has acceded, to the Intercreditor Agreement as a Subordinated Creditor or Intra-Group Lender.

“**Subordinated Debt**” means, for the purpose of any Continuing Document, the Financial Indebtedness owed by any Obligor to another Obligor or a Sponsor Group Shareholder that is subordinated in accordance with the terms provided in respect thereof by the Intercreditor Agreement.

“**Subordination Deed**” means, for the purpose of any Continuing Document, the Intercreditor Agreement.

“**Subsidiary**” means, in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first mentioned company or corporation;
- (b) more than half the issued share capital of which (or, in the case of any company or corporation in which SCH5 owns a Golden Share, more than half the issued share capital of which, excluding for these purposes that Golden Share from such issued share capital) is beneficially owned, directly or indirectly by the first mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

“**Successor High Yield Notes**” means notes issued pursuant to a High Yield Note Refinancing.

“**Tax**” means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

“**Term Loan Facility**” means, for the purpose of any Continuing Document, Facility A.

“**Term Rate Loan**” means any Loan or, if applicable, Unpaid Sum which is not a Term SOFR Loan.

“**Term SOFR**” means the term SOFR reference rate administered by CME Group Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant period published (before any correction, recalculation or republication by the administrator) by CME Group Benchmark Administration Limited (or any other person which takes over the publication of that rate).

“**Term SOFR Loan**” means any Loan or, if applicable, Unpaid Sum in US dollars.

“**Termination Date**” means, in relation to a Facility, the Final Repayment Date of that Facility.

“**Total Commitments**” means the Total Revolving Facility Commitments.

“**Total Facility A Participation**” means the aggregate of the Facility A Participations, being HK\$1,000,000 at the 2016 Amendment and Restatement Effective Date.

“**Total Revolving Facility Commitments**” means the aggregate of the Revolving Facility Commitments, being HK\$233,000,000 at the 2016 Amendment and Restatement Effective Date.

“**Transaction Documents**” means:

- (a) the Finance Documents; and
- (b) the Constitutional Documents of each Obligor, SCH5 and Melco Resorts Macau.

“**Transaction Security**” means the Security or other collateral created, evidenced or expressed to be created or evidenced pursuant to the Transaction Security Documents.

“**Transaction Security Documents**” means the Services and Right to Use Direct Agreement and each of the other documents listed as being a Transaction Security Document in schedule 4 (*Transaction Security Documents*) of the Intercreditor Agreement together with any other document entered into by any Obligor or other person creating or expressed to create any Security or other collateral over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Finance Documents, each as amended, supplemented and/or confirmed from time to time (including, without limitation, the Facility A Cash Collateral).

“**Transfer**” means a novation of rights and obligations, an assignment of rights, an assignment of rights combined with an assumption of certain obligations and release of certain obligations, a participation or sub-participation or a declaration of trust (or equivalent), in each case, in relation to, or any other arrangement under which payments are to be made or may be made by reference to, one or more Finance Documents, the Facilities or the Borrower or any other transfer howsoever described or arranged whereby rights or obligations under the Finance Documents or in relation to the Facilities or the Borrower are transferred from one person to another (and “**transferred**” (and similar expressions) will be construed accordingly).

“**Transfer Certificate**” means an agreement substantially in the form set out in Schedule 4 (*Form of Transfer Certificate*) or any other form agreed between the Agent and the Borrower.

“**Transfer Date**” means, in relation to an assignment or transfer, the later of:

- (a) the proposed Transfer Date specified in the relevant Transfer Certificate or Assignment Agreement and Lender Accession Undertaking; and
- (b) the date on which the Agent executes the relevant Transfer Certificate or Assignment Agreement and Lender Accession Undertaking.

“**Treasury Transaction**” means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.

“**Unpaid Sum**” means any sum due and payable but unpaid by an Obligor under the Finance Documents.

“**US**” and “**United States**” means the United States of America, its territories, possessions and other areas subject to the jurisdiction of the United States of America.

“**US Bankruptcy Code**” means Title 11 of The United States Code (entitled “Bankruptcy”), as amended from time to time and as now or hereafter in effect, or any successor thereto.

“**US dollars**”, “**USD**” or “**US\$**” denotes the lawful currency of the United States.

“**US Government Securities Business Day**” means any day other than:

- (a) a Saturday or a Sunday; and

- (b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in US Government securities.

“**US Person**” means any person whose jurisdiction of organization is a state of the United States or the District of Columbia.

“**USA Patriot Act**” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56.

“**Utilisation**” means a Loan.

“**Utilisation Date**” means the date on which a Revolving Facility Loan is made.

“**Utilisation Request**” means a notice substantially in the form set out in Part 1 of Schedule 3 (*Requests and notices*).

“**Voting Participation**” means a Participation which involves a transfer of any voting rights, directly or indirectly, under, or in relation to, the Finance Documents (including arising as a result of being able to direct the way that another person exercises its voting rights).

1.2 Construction

- (a) Unless a contrary indication appears a reference in this Agreement to:
- (i) the “**Agent**”, the “**Common Security Agent**”, any “**Finance Party**”, the “**Intercreditor Agent**”, any “**Lender**”, any “**Obligor**”, any “**Party**”, the “**POA Agent**”, any “**Secured Party**” or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Common Security Agent, any person for the time being appointed as Common Security Agent or Common Security Agents in accordance with the Finance Documents;
 - (ii) a document in “**agreed form**” is a document which is in a form previously agreed in writing by or on behalf of the Borrower and the Agent or, if not so agreed, is in the form specified by the Agent;
 - (iii) “**assets**” includes present and future properties, revenues and rights of every description;
 - (iv) a “**Finance Document**” or a “**Transaction Document**” or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended, replaced or restated (in each case, however fundamentally);
 - (v) “**guarantee**” means (other than in Clause 20 (*Guarantee and indemnity*)) any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;
 - (vi) “**indebtedness**” includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

- (vii) a “**person**” includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing;
 - (viii) a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
 - (ix) an “**equivalent amount in other currencies**”, “**equivalent amount in HK\$**”, “**equivalent amount in US\$**” or “**its equivalent**” means, in relation to an amount in one currency, that amount converted on any relevant date into the relevant currency, HK\$ or US\$ (as the case may be) at the Agent’s Spot Rate of Exchange on that date and other than for the purposes of determining compliance with any basket amount, threshold and any other exceptions to any undertaking under Clause 23 (*General undertakings*) and any Event of Default under Clause 24 (*Events of Default*), the equivalent to any amount in HK dollars or the equivalent to any amount in US dollars shall be determined as at the time of the applicable incurrence, disposal, acquisition, investment, lease, loan, guarantee or other relevant action;
 - (x) No breach of any undertaking under Clause 23 (*General undertakings*) and any Event of Default under Clause 24 (*Events of Default*) shall arise merely as a result of a subsequent change in the US dollar equivalent or HK dollar equivalent of any amount due to fluctuation in exchange rates;
 - (xi) a provision of law is a reference to that provision as amended or re-enacted;
 - (xii) a time of day is a reference to Hong Kong SAR time; and
 - (xiii) a Lender’s “**participation**” in a Loan or Unpaid Sum includes an amount (in the currency of such Loan or Unpaid Sum) representing the fraction or portion (attributable to such Lender by virtue of the provisions of this Agreement) of the total amount of such Loan or Unpaid Sum and the Lender’s rights under this Agreement in respect thereof.
- (b) Any reference to the Agent “**acting reasonably**” shall, to the extent that the Agent seeks instructions from the Lenders or a group of Lenders in respect of any matter, be construed so as to require the Lenders or that group of Lenders to act reasonably in respect of that matter.
 - (c) Section, Clause and Schedule headings are for ease of reference only.
 - (d) Unless a contrary indication appears, (i) a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement; and (ii) the word “including” shall be construed as “including without limitation” (and cognate expressions shall be construed similarly).
 - (e) A Borrower providing “**cash cover**” for an Ancillary Facility means a Borrower paying an amount in the currency of the Ancillary Facility to an interest-bearing account in the name of a Borrower and the following conditions being met:
 - (i) the account is with the Ancillary Lender for which that cash cover is to be provided;
 - (ii) until no amount is or may be outstanding under that Ancillary Facility, withdrawals from the account may only be made to pay the relevant Finance Party amounts due and payable to it under this Agreement in respect of that Ancillary Facility; and

- (iii) a Borrower has executed a security document, in form and substance satisfactory to the Finance Party with which that account is held, creating a first ranking security interest over that account.
- (f) A Default (including, for the avoidance of doubt, an Event of Default) is “**continuing**” if it has not been remedied or waived and an Acceleration Event is “**continuing**” if the notice in relation to such Acceleration Event has not been withdrawn, cancelled or otherwise ceased to have effect.
- (g) A Borrower “**repaying**” or “**prepaying**” Ancillary Outstandings means:
 - (i) that Borrower providing cash cover in respect of the Ancillary Outstandings;
 - (ii) the maximum amount payable under the Ancillary Facility being reduced or cancelled in accordance with its terms; or
 - (iii) the relevant Ancillary Lender being satisfied that it has no further liability under that Ancillary Facility,and the amount by which the Ancillary Outstandings are repaid or prepaid under paragraphs (i) and (ii) above is the amount of the relevant cash cover, reduction or cancellation.
- (h) An amount borrowed includes any amount utilised under an Ancillary Facility.
- (i) Notwithstanding any other provision of any Finance Document, none of the steps set out or described in, or any actions done or contemplated by, the Services and Right to Use Direct Agreement or the actions or intermediate steps necessary to implement any of those steps or actions shall constitute a breach of any representation or warranty, a breach of any undertaking or otherwise result in the occurrence of a Default or an Event of Default under a Finance Document.
- (j) References in this Agreement to “**the original date hereof**”, “**the original date of this Agreement**”, and any other like expressions shall mean 28 January 2013 and references in this Agreement to “**the date hereof**”, “**the date of this Agreement**”, and any other like expressions shall mean the 2016 Amendment and Restatement Effective Date.
- (k) The principles of construction and interpretation contained or referred to in paragraph (m) of clause 1.2 (*Construction*) of the Intercreditor Agreement shall apply to the construction and interpretation of the Services and Right to Use Direct Agreement, including to any capitalised term incorporated into the Services and Right to Use Direct Agreement by reference to this Agreement (whether or not such term is expressly defined in this Agreement). In the event of any inconsistency between the principles of construction contained or referred to in paragraph (m) of clause 1.2 (*Construction*) of the Intercreditor Agreement and a term defined in this Agreement, the principles of construction contained or referred to in paragraph (m) of clause 1.2 (*Construction*) of the Intercreditor Agreement shall take precedence.
- (l) The principles of construction and interpretation contained or referred to in paragraph (n) of clause 1.2 (*Construction*) of the Intercreditor Agreement shall apply to the construction and interpretation of any Continuing Document, including to any capitalised term incorporated into any Continuing Document by reference to this Agreement (whether or not such term is expressly defined in this Agreement). In the event of any inconsistency between the principles of construction contained or referred to in paragraph (n) of clause 1.2 (*Construction*) of the Intercreditor Agreement and a term defined in this Agreement, the principles of construction contained or referred to in paragraph (n) of clause 1.2 (*Construction*) of the Intercreditor Agreement shall take precedence.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in a Finance Document a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the “**Third Parties Act**”) to enforce or enjoy the benefit of any term of any Finance Document.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary any Finance Document at any time.

1.4 Intercreditor Agreement

This Agreement is subject to the Intercreditor Agreement. In the event of any inconsistency between this Agreement and the Intercreditor Agreement, the Intercreditor Agreement shall prevail.

1.5 Terms defined in the covenants

Unless a contrary intention appears, capitalised terms used in this Agreement which are not defined in Clause 1.1 (*Definitions*) have the meaning given to them in Schedule 10 (*Covenants*) and Schedule 11 (*Definitions*).

1.6 Recognition of Hong Kong Stay Powers

Notwithstanding anything to the contrary in this Agreement or any other Finance Document or any other agreement, arrangement or understanding between the Parties relating to this Agreement, each of the Parties (other than any Excluded Counterparties) expressly agrees to be bound by any suspension of any termination right in relation to the Finance Documents imposed by the Resolution Authority in accordance with section 90(2) of the Financial Institutions (Resolution) Ordinance (Cap. 628) of Hong Kong, to the same extent as if the relevant Finance Document was governed by the laws of Hong Kong.

For the purpose of this Clause 1.6:

- (a) “**Excluded Counterparty**” means any Party which is (a) a financial market infrastructure; (b) the Hong Kong Monetary Authority; (c) the Government of the Hong Kong Special Administrative Region; (d) the government of a jurisdiction other than Hong Kong; or (e) the central bank of a jurisdiction other than Hong Kong; and
- (b) “**Resolution Authority**” means the resolution authority in Hong Kong in relation to a banking sector entity from time to time, which is currently the Hong Kong Monetary Authority.

SECTION 2
THE FACILITIES

2. The Facilities

2.1 The Facilities

- (a) The Original Lender has made available a Base Currency term loan in an aggregate amount equal to the Total Facility A Participation that has been re-designated as the Facility A Loan.
- (b) Subject to the terms of this Agreement, the Revolving Facility Lenders make available to the Borrower a revolving loan facility in an aggregate amount equal to the Total Revolving Facility Commitments.

2.2 Increase

- (a) The Borrower may by giving prior notice to the Agent by no later than the date falling 10 Business Days after the effective date of a cancellation of the Available Commitment or the Revolving Facility Commitment of an Illegal Lender in accordance with Clause 8.1 (*Illegality*) or Replaceable Lender in accordance with Clause 37.7 (*Cancellation and repayment of a Replaceable Lender (other than an Illegal Lender)*) (such Available Commitment or Revolving Facility Commitment so cancelled being the “**Cancelled Commitment**”) request that the Revolving Facility Commitments be increased (and the Revolving Facility Commitments shall be so increased) by an aggregate amount in the Base Currency of up to the amount of the Cancelled Commitment as follows:
 - (i) such increased Revolving Facility Commitments will be assumed by one or more Lenders or persons (other than a member of the Group) (each an “**Increase Lender**”) selected by the Borrower and each of which confirms its willingness to assume and does assume all the obligations of a Lender corresponding to that part of such increased Revolving Facility Commitments under that Facility which it is to assume (the “**Assumed Commitment**” of such Increase Lender), as if it had been an Original Lender;
 - (ii) each of the Obligors and any Increase Lender shall assume obligations towards one another and/or acquire rights against one another as the Obligors and the Increase Lender would have assumed and/or acquired had that Increase Lender been an Original Lender (with the Assumed Commitment in respect of such Increase Lender, in addition to any other Commitment which such Increase Lender may otherwise have in accordance with this Agreement);
 - (iii) each Increase Lender shall become a Party as a “Lender” and any Increase Lender (with the Assumed Commitment in respect of such Increase Lender, in addition to any other Commitment which such Increase Lender may otherwise have in accordance with this Agreement) and each of the other Finance Parties shall assume obligations towards one another and acquire rights against one another as that Increase Lender and those Finance Parties would have assumed and/or acquired had the Increase Lender been an Original Lender;
 - (iv) the Commitments of the other Lenders shall continue in full force and effect; and
 - (v) such increase in the Revolving Facility Commitments shall take effect on the later of (1) the date specified by the Borrower in the notice referred to above or (2) any later date on which the conditions set out in paragraph (b) below are satisfied in respect of such increase.

- (b) An increase in the Revolving Facility Commitments pursuant to this Clause 2.2 will only be effective on:
 - (i) the execution by the Agent of an Increase Confirmation from each relevant Increase Lender in respect of such increase, which the Agent shall execute promptly on request;
 - (ii) the Increase Lender entering into the documentation required for it to accede as a party to the Intercreditor Agreement; and
 - (iii) in relation to an Increase Lender which is not a Lender immediately prior to the relevant increase, the Agent being satisfied that it has complied with all necessary “know your customer” or other similar checks under all applicable laws and regulations in relation to the assumption of the Assumed Commitments by that Increase Lender. The Agent shall promptly notify the Borrower and the Increase Lender upon being so satisfied.
- (c) Each Increase Lender, by executing an Increase Confirmation, confirms that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the increase in Revolving Facility Commitments (to which such Increase Confirmation relates) becomes effective.
- (d) The Borrower shall promptly on demand pay the Agent and the Common Security Agent the amount of all costs and expenses (including legal fees) reasonably incurred by the Agent or the Common Security Agent (as applicable and, in the case of the Common Security Agent, by any Receiver or Delegate) in connection with any increase in Revolving Facility Commitments under this Clause 2.2.
- (e) An Increase Lender shall, on the date upon which its assumption of any Assumed Commitment takes effect, pay to the Agent (for its own account) a fee in an amount equal to the fee which would be payable under Clause 25.2 (*Assignment or transfer fee*) if such assumption was a transfer pursuant to Clause 25.5 (*Procedure for transfer*) and if the Increase Lender was a New Lender.
- (f) The Borrower may pay to an Increase Lender a fee in the amount and at the times agreed between the Borrower and that Increase Lender in a Fee Letter.
- (g) Clause 25.4 (*Limitation of responsibility of Existing Lenders*) shall apply *mutatis mutandis* in this Clause 2.2 in relation to an Increase Lender as if references in that Clause to:
 - (i) an “**Existing Lender**” were references to all the Lenders immediately prior to the relevant increase in Revolving Facility Commitments;
 - (ii) the “**New Lender**” were references to that “**Increase Lender**”; and
 - (iii) a “**re-transfer**” and “**re-assignment**” were references to, respectively, a “**transfer**” and “**assignment**”.

2.3 Finance Parties’ rights and obligations

- (a) The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.

- (b) The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from an Obligor shall be a separate and independent debt in respect of which a Finance Party shall be entitled to enforce its rights in accordance with paragraph (c) below. The rights of each Finance Party include any debt owing to that Finance Party under the Finance Documents and, for the avoidance of doubt, any part of a Loan or any other amount owed by an Obligor which relates to a Finance Party's participation in a Facility or its role under a Finance Document (including any such amount payable to the Agent on its behalf) is a debt owing to that Finance Party by that Obligor.
- (c) A Finance Party may, except as otherwise stated in the Finance Documents, separately enforce its rights under or in connection with the Finance Documents.

2.4 Obligors' Agent

- (a) Each Obligor (other than the Parent) by its execution of this Agreement or an Accession Letter irrevocably appoints the Parent to act on its behalf as its agent in relation to the Finance Documents and irrevocably authorises:
 - (i) the Parent on its behalf to supply all information concerning itself contemplated by this Agreement to the Finance Parties and to give all notices and instructions (including, in the case of the Borrower, Utilisation Requests), to execute on its behalf any Accession Letter, to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of that Obligor; and
 - (ii) each Finance Party to give any notice, demand or other communication to that Obligor pursuant to the Finance Documents to the Parent,and in each case the Obligor shall be bound as though the Obligor itself had given the notices and instructions (including, without limitation, any Utilisation Request) or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.
- (b) Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Obligors' Agent or given to the Obligors' Agent under any Finance Document on behalf of another Obligor or in connection with any Finance Document (whether or not known to any other Obligor and whether occurring before or after such other Obligor became an Obligor under any Finance Document) shall be binding for all purposes on that Obligor as if that Obligor had expressly made, given or concurred with it. In the event of any conflict between any notices or other communications of the Obligors' Agent and any other Obligor, those of the Obligors' Agent shall prevail.

3. Purpose

3.1 Purpose

- (a) Subject to paragraph (b) below and Clause 5.5 (*Limitations on Utilisations*), the Borrower shall apply all amounts borrowed by it under the Revolving Facility to finance the general corporate and working capital purposes of the Borrower and its Subsidiaries, including:

- (i) the payment (or reimbursement) of any fees, costs and expenses; and
 - (ii) the financing and refinancing of amounts expended on permitted joint venture investments, capital expenditure and business reorganisations.
- (b) The Borrower shall not and may not:
 - (i) apply any amounts utilised under the Revolving Facility (including any Ancillary Facility) directly or indirectly, towards:
 - (A) any payments of interest or other finance payments (capitalised or otherwise) in respect of any Facility or any other Credit Facility (as defined in the Intercreditor Agreement) or pursuant to any Pari Passu Debt Document or under or in connection with any Subordinated Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor or Intercompany Note Proceeds Loan; or
 - (B) it or the Parent making or paying any dividend or other distribution in respect of any shares or other equity interests, repaying, returning or distributing any share premium or other reserve or purchasing, redeeming or retiring any shares or other equity interest (or any transaction of substantially equivalent economic effect); or
 - (ii) apply any amounts utilised under any Facility (including any Ancillary Facility), directly or indirectly, towards any purposes connected with the operation of casino games of chance or other forms of gaming (including, without limitation, financing the acquisition, maintenance or repair of equipment and utensils used in the operation of casino games of chance or other forms of gaming or fitting out any casino); or
 - (iii) apply any amounts utilised under any Facility, directly or indirectly, towards any purposes connected with the funding, financing, acquisition, or other form of investment in any asset, project, undertaking, venture or other forms of assets located, situated or with a nexus outside of Macau SAR.

For the avoidance of doubt, nothing in this paragraph (b) shall restrict the Borrower from using its own balance sheet cash for any of the above restricted purposes and a subsequent utilisation of any Facility which results in cash being retained on the Borrower's balance sheet shall not constitute an "indirect" application of proceeds of any Facility towards such restricted purpose.

3.2 Monitoring

No Finance Party is bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

4. Conditions of utilisation

4.1 Utilisation conditions precedent

The Lenders will only be obliged to comply with Clause 5.4 (*Lenders' participation*) in relation to a Utilisation under the Revolving Facility if on the date of the Utilisation Request and on the proposed Utilisation Date:

- (a) in the case of a Rollover Loan:
 - (i) no Acceleration Event is continuing; and

- (ii) no Event of Default under Clause 24.5 (*Insolvency*) or Clause 24.6 (*Insolvency proceedings*) has occurred and is continuing;
- (b) in the case of any Loan (other than a Rollover Loan):
 - (i) no Default is continuing or would result from the proposed Utilisation; and
 - (ii) all the Repeating Representations are true and correct in all respects or (to the extent such Repeating Representations are not already subject to or qualified as to materiality) all material respects; and
 - (iii) there has been no material adverse change in the business, assets or financial condition of the Group (taken as a whole) since 31 December 2023.

4.2 Maximum number of Utilisations

The Borrower may not deliver a Utilisation Request under the Revolving Facility if as a result of the proposed Utilisation more than eight (8) Revolving Facility Loans would be outstanding.

4.3 Conditions relating to Optional Currencies

- (a) A currency will constitute an Optional Currency in relation to the Revolving Facility if:
 - (i) it is readily available in the amount required and freely convertible into the Base Currency in the wholesale market for that currency on the Quotation Date and the Utilisation Date for that Utilisation; and
 - (ii) (A) it is US dollars or (B) it has been approved by the Agent (in its own capacity) and the Agent (acting on the instructions of all the Lenders in the Revolving Facility) on or prior to receipt by the Agent of the relevant Utilisation Request for that Utilisation.
- (b) If the Agent has received a written request from the Borrower for a currency to be approved under paragraph (a)(ii) above, the Agent will confirm to the Borrower within five (5) Business Days of receipt of the relevant written request from the Borrower:
 - (i) whether or not the relevant Lenders have granted their approval; and
 - (ii) if approval has been granted, the minimum amount for any subsequent Utilisation in that currency.

**SECTION 3
UTILISATION**

5. Utilisation – Revolving Facility Loans

5.1 Delivery of a Utilisation Request

The Borrower may utilise the Revolving Facility in accordance with Clause 2.1 (*The Facilities*) by delivery to the Agent of a duly completed Utilisation Request signed by an authorised signatory of the Borrower, not later than 11.00 a.m. on the third Business Day prior to the proposed Utilisation Date (or such later time as the Agent may agree).

5.2 Completion of a Utilisation Request

- (a) Each Utilisation Request for a Revolving Facility Loan is irrevocable and will not be regarded as having been duly completed unless:
 - (i) the proposed Utilisation Date is a Business Day within the Availability Period applicable to the Revolving Facility;
 - (ii) the currency and amount of the Utilisation comply with Clause 5.3 (*Currency and amount*); and
 - (iii) the proposed Interest Period complies with Clause 12 (*Interest Periods*).
- (b) Only one Utilisation may be requested in each Utilisation Request.

5.3 Currency and amount

- (a) The currency specified in a Utilisation Request must be the Base Currency or an Optional Currency.
- (b) The amount of the proposed Utilisation must be:
 - (i) if the currency selected is the Base Currency, a minimum of HK\$40,000,000 and in integral multiples of HK\$10,000,000 or, if less, the Available Facility applicable to that Facility; and
 - (ii) if the currency selected is an Optional Currency, a minimum of the minimum amount (if any) and in integral multiples of the integral multiple amount (if any) specified by the Agent pursuant to Clause 4.3 (*Conditions relating to Optional Currencies*) or, if less, the Available Facility applicable to that Facility.

5.4 Lenders' participation

- (a) Subject to Clause 7.2 (*Revolving Facility*), if the conditions set out in this Agreement have been met, each Lender shall make its participation in each Revolving Facility Loan available by the Utilisation Date through its Facility Office.
- (b) The amount of each Lender's participation in each Revolving Facility Loan will be equal to the proportion borne by its Available Commitment to the Available Facility immediately prior to making the Revolving Facility Loan.
- (c) If a Revolving Facility Loan is made to repay Ancillary Outstandings, each Lender's participation in that Utilisation will be in an amount (as determined by the Agent) which will result as nearly as possible in the aggregate amount of its participation in the Revolving Facility then outstanding bearing the same proportion to the aggregate amount of the Revolving Facility then outstanding as its Commitment bears to the aggregate Commitments of the Lenders.

- (d) The Agent shall, by 2.00 p.m. on the third Business Day prior to the proposed Utilisation Date, determine the Base Currency Amount of each Revolving Facility Loan which is to be made in an Optional Currency and notify each Lender of the amount, currency and the Base Currency of each Revolving Facility Loan, the amount of its participation in that Revolving Facility Loan and, if different, the amount of that participation to be made available in cash.

5.5 Limitations on Utilisations

- (a) Amounts borrowed under or in respect of the Facilities (including the proceeds of the advance constituting the Facility A Loan under the original form of this Agreement) shall not be applied (directly or indirectly) for business activities (1) relating to or involving (A) Cuba, Sudan, Iran, Myanmar (Burma), Syria, North Korea, Donetsk Republic, Luhansk Republic, Kherson or Zaporizhzhia (in each case to the extent such country is subject to any economic and/or trade sanctions) or (B) any other countries that are subject to economic and/or trade sanctions as notified in writing by the Agent (acting on behalf of any Lender) to the Borrower from time to time (C) any Restricted Party or (2) which would otherwise result in a breach of any Anti-Terrorism Law.
- (b) Without prejudice to paragraph (a) above, the proceeds of the Revolving Facility shall not be applied towards any purpose other than a purpose specified in Clause 3 (*Purpose*).

5.6 Cancellation of Commitment

The Revolving Facility Commitments which, at that time, are unutilised shall be immediately cancelled at the end of the Availability Period.

5A Optional Currencies

5A.1 Selection of currency

The Borrower shall select the currency of a Utilisation in a Utilisation Request.

5A.2 Unavailability of a currency

If before 11.00 a.m. on any Quotation Date:

- (a) a Lender notifies the Agent that the Optional Currency requested is not readily available to it in the amount required; or
- (b) a Lender notifies the Agent that compliance with its obligation to participate in a Loan in the proposed Optional Currency would contravene a law or regulation applicable to it,

the Agent will give notice to the Borrower to that effect by 12:00 p.m. on that day. In this event, any Lender that gives notice pursuant to this Clause 5A.2 will be required to participate in the Loan in the Base Currency (in an amount equal to that Lender's proportion of the Base Currency Amount, or in respect of a Rollover Loan, an amount equal to that Lender's proportion of the Base Currency Amount of the Rollover Loan that is due to be made) and its participation will be treated as a separate Loan denominated in the Base Currency during that Interest Period.

5A.3 Agent's calculations

Each Lender's participation in a Loan will be determined in accordance with paragraph (b) of Clause 5.4 (*Lenders' participation*).

6. Ancillary Facilities

6.1 Type of Facility

An Ancillary Facility may be by way of:

- (a) an overdraft facility;
- (b) a guarantee, bonding, documentary or stand-by letter of credit facility;
- (c) a short term loan facility;
- (d) a derivatives facility;
- (e) a foreign exchange facility; or
- (f) any other facility or accommodation required in connection with the business of the Group and which is agreed by the Borrower with an Ancillary Lender.

6.2 Availability

- (a) If the Borrower and a Lender agree and except as otherwise provided in this Agreement, the Lender may provide all or part of its Revolving Facility Commitment as an Ancillary Facility.
- (b) An Ancillary Facility shall not be made available unless, not later than three (3) Business Days prior to the Ancillary Commencement Date for an Ancillary Facility, the Agent has received from the Borrower:
 - (i) a notice in writing of the establishment of an Ancillary Facility and specifying:
 - (A) the proposed Borrower which may use the Ancillary Facility;
 - (B) the proposed Ancillary Commencement Date and expiry date of the Ancillary Facility;
 - (C) the proposed type of Ancillary Facility to be provided;
 - (D) the proposed Ancillary Lender;
 - (E) the proposed Ancillary Commitment and the maximum amount of the Ancillary Facility and, in the case of a Multi-account Overdraft, its Designated Gross Amount and its Designated Net Amount; and
 - (F) the proposed currency of the Ancillary Facility (if not denominated in HK dollars); and
 - (ii) any other information which the Agent may reasonably request in connection with the Ancillary Facility.
- (c) The Agent shall promptly notify the Ancillary Lender and the other Lenders of the establishment of an Ancillary Facility.
- (d) Subject to compliance with paragraph (b) above:
 - (i) the Lender concerned will become an Ancillary Lender; and

- (ii) the Ancillary Facility will be available,
with effect from the date agreed by the Borrower and the Ancillary Lender.

6.3 Terms of Ancillary Facilities

- (a) Except as provided below, the terms of any Ancillary Facility will be those agreed by the Ancillary Lender and the Borrower.
- (b) Those terms:
 - (i) must be based upon normal commercial terms at that time (except as varied by this Agreement);
 - (ii) may allow only the Borrower to use the Ancillary Facility;
 - (iii) may not allow the Ancillary Outstandings to exceed the Ancillary Commitment;
 - (iv) may not allow a Lender's Ancillary Commitment to exceed that Lender's Available Commitment relating to the Revolving Facility (before taking into account the effect of the Ancillary Facility on that Available Commitment); and
 - (v) must require that the Ancillary Commitment is reduced to zero, and that all Ancillary Outstandings are repaid not later than the Termination Date applicable to the Revolving Facility (or such earlier date as the Revolving Facility Commitment of the relevant Ancillary Lender (or its Affiliate) is reduced to zero).
- (c) If there is any inconsistency between any term of an Ancillary Facility and any term of this Agreement, this Agreement shall prevail except for:
 - (i) Clause 34.3 (*Day count convention*) which shall not prevail for the purposes of calculating fees, interest or commission relating to an Ancillary Facility;
 - (ii) an Ancillary Facility comprising more than one account where the terms of the Ancillary Documents shall prevail to the extent required to permit the netting of balances on those accounts; and
 - (iii) where the relevant term of this Agreement would be contrary to, or inconsistent with, the law governing the relevant Ancillary Document, in which case that term of this Agreement shall not prevail.
- (d) Interest, commission and fees on Ancillary Facilities are dealt with in Clause 14.3 (*Interest, commission and fees on Ancillary Facilities*).

6.4 Repayment of Ancillary Facility

- (a) An Ancillary Facility shall cease to be available on the Termination Date applicable to the Revolving Facility or such earlier date on which its expiry date occurs or on which it is cancelled in accordance with the terms of this Agreement.
- (b) If an Ancillary Facility expires in accordance with its terms the Ancillary Commitment of the relevant Ancillary Lender shall be reduced to zero.
- (c) No Ancillary Lender may demand repayment or prepayment of any Ancillary Outstandings prior to the expiry date of the relevant Ancillary Facility unless:

- (i) required to reduce the Gross Outstandings of a Multi-account Overdraft to or towards an amount equal to its Designated Net Amount;
- (ii) the Total Revolving Facility Commitments have been cancelled in full or all outstanding Utilisations under the Revolving Facility have become due and payable in accordance with the terms of this Agreement;
- (iii) it becomes unlawful in any applicable jurisdiction for the Ancillary Lender to perform any of its obligations as contemplated by this Agreement or to fund, issue or maintain its participation in its Ancillary Facility (or it becomes unlawful for any Affiliate of the Ancillary Lender for the Ancillary Lender to do so); or
- (iv) both:
 - (A) the Available Commitments relating to the Revolving Facility; and
 - (B) the notice of the demand given by the Ancillary Lender,would not prevent the relevant Borrower funding the repayment of those Ancillary Outstandings in full by way of Revolving Facility Utilisation.
- (d) If a Revolving Facility Utilisation is made to repay Ancillary Outstandings in full, the relevant Ancillary Commitment shall be reduced to zero.

6.5 Limitation on Ancillary Outstandings

Each Borrower shall procure that and each Ancillary Lender agrees that:

- (a) the Ancillary Outstandings under any Ancillary Facility shall not exceed the Ancillary Commitment applicable to that Ancillary Facility; and
- (b) in relation to a Multi-account Overdraft:
 - (i) the Ancillary Outstandings shall not exceed the Designated Net Amount applicable to that Multi-account Overdraft; and
 - (ii) the Gross Outstandings shall not exceed the Designated Gross Amount applicable to that Multi-account Overdraft.

6.6 Adjustment for Ancillary Facilities upon acceleration

- (a) In this Clause 6.6:

“**Revolving Outstandings**” means, in relation to a Lender, the aggregate of the equivalent in HK dollars of:

- (i) its participation in each Revolving Facility Loan then outstanding (together with the aggregate amount of all accrued interest, fees and commission owed to it as a Lender under the Revolving Facility); and
- (ii) if the Lender is also an Ancillary Lender, the Ancillary Outstandings in respect of Ancillary Facilities provided by that Ancillary Lender (or by its Affiliate) (together with the aggregate amount of all accrued interest, fees and commission owed to it (or to its Affiliate) as an Ancillary Lender in respect of the Ancillary Facility); and

“**Total Revolving Outstandings**” means the aggregate of all Revolving Outstandings.

- (b) If a notice is served under Clause 24.19 (*Acceleration*) (other than a notice declaring Utilisations to be due on demand), each Lender and each Ancillary Lender shall (subject to paragraph (g) below) promptly adjust (by making or receiving (as the case may be) corresponding transfers of rights and obligations under the Finance Documents relating to Revolving Outstandings) their claims in respect of amounts outstanding to them under the Revolving Facility and each Ancillary Facility to the extent necessary to ensure that after such transfers the Revolving Outstandings of each Lender bear the same proportion to the Total Revolving Outstandings as such Lender's Revolving Facility Commitment bears to the Total Revolving Facility Commitments, each as at the date the notice is served under Clause 24.19 (*Acceleration*).
- (c) If an amount outstanding under an Ancillary Facility is a contingent liability and that contingent liability becomes an actual liability or is reduced to zero after the original adjustment is made under paragraph (b) above, then each Lender and Ancillary Lender will make a further adjustment (by making or receiving (as the case may be) corresponding transfers of rights and obligations under the Finance Documents relating to Revolving Outstandings to the extent necessary) to put themselves in the position they would have been in had the original adjustment been determined by reference to the actual liability or, as the case may be, zero liability and not the contingent liability.
- (d) Any transfer of rights and obligations relating to Revolving Outstandings made pursuant to this Clause 6.6 shall be made for a purchase price in cash, payable at the time of transfer, in an amount equal to those Revolving Outstandings.
- (e) Prior to the application of the provisions of paragraph (b) above, an Ancillary Lender that has provided a Multi-account Overdraft shall set off any Available Credit Balance on any account comprised in that Multi-account Overdraft.
- (f) All calculations to be made pursuant to this Clause 6.6 shall be made by the Agent based upon information provided to it by the Lenders and Ancillary Lenders and the Agent's Spot Rate of Exchange.
- (g) This Clause 6.6 shall not oblige any Lender to accept the transfer of a claim relating to an amount outstanding under an Ancillary Facility which is not denominated (pursuant to the relevant Finance Document) in either the Base Currency, a currency which has been an Optional Currency for the purpose of any Revolving Facility Loan or in another currency which is acceptable to that Lender.

6.7 Information

Each Borrower and each Ancillary Lender shall, promptly upon request by the Agent, supply the Agent with any information relating to the operation of an Ancillary Facility (including the Ancillary Outstandings) as the Agent may reasonably request from time to time. Each Borrower consents to all such information being released to the Agent and the other Finance Parties.

6.8 Affiliates of Lenders as Ancillary Lenders

- (a) Subject to the terms of this Agreement, an Affiliate of a Lender may become an Ancillary Lender. In such case, the Lender and its Affiliate shall be treated as a single Lender whose Revolving Facility Commitment is the amount set out opposite the relevant Lender's name in Schedule 1 (*The Original Parties*) and/or the amount of any Revolving Facility Commitment transferred to or assumed by that Lender under this Agreement, to the extent (in each case) not cancelled, reduced or transferred by it under this Agreement.
- (b) The Borrower shall specify any relevant Affiliate of a Lender in any notice delivered by the Borrower to the Agent pursuant to paragraph (b)(i) of Clause 6.2 (*Availability*).

- (c) An Affiliate of a Lender which becomes an Ancillary Lender shall accede to the Intercreditor Agreement as an Ancillary Lender and any person which so accedes to the Intercreditor Agreement shall, at the same time, become a Party as an Ancillary Lender in accordance with clause 25.14 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement.
- (d) If a Lender assigns all of its rights and benefits or transfers all of its rights and obligations to a New Lender, its Affiliate shall cease to have any obligations under this Agreement or any Ancillary Document.
- (e) Where this Agreement or any other Finance Document imposes an obligation on an Ancillary Lender and the relevant Ancillary Lender is an Affiliate of a Lender which is not a party to that document, the relevant Lender shall ensure that the obligation is performed by its Affiliate.

6.9 Revolving Facility Commitment amounts

Notwithstanding any other term of this Agreement, each Lender shall ensure that at all times its Revolving Facility Commitment is not less than the aggregate of:

- (a) its Ancillary Commitment; and
- (b) the Ancillary Commitment(s) of its Affiliate(s).

6.10 Amendments and waivers – Ancillary Facilities

No amendment or waiver of a term of any Ancillary Facility shall require the consent of any Finance Party other than the relevant Ancillary Lender unless such amendment or waiver itself relates to or gives rise to a matter which would require an amendment of or under this Agreement (including, for the avoidance of doubt, under this Clause 6). In such a case, Clause 37 (*Amendments and waivers*) will apply.

SECTION 4
REPAYMENT, PREPAYMENT AND CANCELLATION

7. Repayment

7.1 Facility A

Subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, the Borrower shall repay the Facility A Loan in full on the Termination Date applicable to Facility A. The Borrower may not reborrow any part of the Facility A Loan that is repaid.

7.2 Revolving Facility

- (a) The Borrower shall repay each Revolving Facility Loan in full on the last day of its Interest Period.
- (b) Without prejudice to the Borrower's obligations under paragraph (a) above, if one or more Revolving Facility Loans are to be made available to the Borrower:
 - (i) on the same day that a maturing Revolving Facility Loan is due to be repaid by the Borrower; and
 - (ii) in whole or in part for the purpose of refinancing the maturing Revolving Facility Loan,the aggregate amount of the new Revolving Facility Loans shall be treated as if applied in or towards repayment of the maturing Revolving Facility Loan so that:
 - (A) if the amount of the maturing Revolving Facility Loan exceeds the aggregate amount of the new Revolving Facility Loans:
 - (1) the Borrower will only be required to pay an amount in cash in the relevant currency equal to that excess; and
 - (2) each Lender's participation (if any) in the new Revolving Facility Loans shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender's participation (if any) in the maturing Revolving Facility Loan and that Lender will not be required to make its participation in the new Revolving Facility Loans available in cash; and
 - (B) if the amount of the maturing Revolving Facility Loan is equal to or less than the aggregate amount of the new Revolving Facility Loans:
 - (1) the Borrower will not be required to make any payment in cash; and
 - (2) each Lender will be required to make its participation in the new Revolving Facility Loans available in cash only to the extent that its participation (if any) in the new Revolving Facility Loans exceeds that Lender's participation (if any) in the maturing Revolving Facility Loan and the remainder of that Lender's participation in the new Revolving Facility Loans shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender's participation in the maturing Revolving Facility Loan.

- (c) At any time when a Lender becomes a Defaulting Lender, the maturity date of each of the participations of that Lender in the Revolving Facility Loans then outstanding will be automatically extended to the Termination Date applicable to the Revolving Facility and will be treated as separate Revolving Facility Loans (the “**Separate Loans**”) denominated in the currency in which such participations are outstanding.
- (d) A Separate Loan may be prepaid by giving five (5) Business Days’ prior notice to the Agent. The Agent will forward a copy of a prepayment notice received in accordance with this paragraph (d) to the Defaulting Lender concerned as soon as practicable on receipt.
- (e) Interest in respect of a Separate Loan will accrue for successive Interest Periods selected by the Borrower by the time and date specified by the Agent (acting reasonably) and will be payable by the Borrower to the Agent (for the account of that Defaulting Lender) on the last day of each Interest Period of that Loan.
- (f) The terms of this Agreement relating to Revolving Facility Loans generally shall continue to apply to Separate Loans other than to the extent inconsistent with paragraphs (c) to (e) above, in which case those paragraphs shall prevail in respect of any Separate Loan.
- (g) Without prejudice to paragraphs (a) and (b) above, until the Borrower notifies the Agent otherwise (which may be by delivery of (i) a separate Utilisation Request indicating the selection of a different Interest Period for the relevant maturing Revolving Facility Loan or (ii) a notice to repay the relevant maturing Revolving Facility Loan on the last day of the Interest Period of that relevant maturity Revolving Facility Loan) not later than 11:00 a.m. three (3) Business Days prior to the last day of the Interest Period of the relevant maturing Revolving Facility Loan and subject to paragraph (a) of Clause 4.1 (*Utilisation conditions precedent*), the Borrower hereby makes the request (in place of delivering a separate Utilisation Request) that a Revolving Facility Loan in an amount equal to a maturing Revolving Facility Loan shall be automatically utilised with the same length of Interest Period as that of such maturing Revolving Facility Loan on the last day of the Interest Period of such maturing Revolving Facility Loan. The foregoing request shall be deemed to be a Utilisation Request and shall be, unless expressly provided otherwise in this paragraph (g), subject to all other provisions in this Agreement applicable to a Utilisation Request.

8. Illegality, voluntary prepayment and cancellation

8.1 Illegality

If it becomes unlawful in any applicable jurisdiction for a Lender to perform any of its obligations as contemplated by this Agreement or to fund, issue or maintain its participation in any Utilisation:

- (a) that Lender shall promptly notify the Agent upon becoming aware of that event;
- (b) upon the Agent notifying the Borrower, the Commitment of that Lender will be immediately cancelled; and
- (c) to the extent that Lender’s participation has not been transferred pursuant to Clause 37.5 (*Replaceable Lenders*), the Borrower shall repay that Lender’s participation in each Utilisations on the last day of the Interest Period for each Utilisation occurring after the Agent has notified the Borrower or, if earlier, the date specified by the Lender in the notice delivered to the Agent (being no earlier than the last day of any applicable grace period permitted by law).

8.2 Voluntary cancellation

The Borrower may, if it gives the Agent not less than five (5) Business Days' prior notice, cancel the whole or any part (being a minimum of HK\$15,000,000) of the Available Facility in respect of the Revolving Facility. Any cancellation under this Clause 8.2 shall reduce the Commitments of the Lenders rateably under the Revolving Facility.

8.3 Voluntary prepayment of the Facility A Loan

Subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, the Borrower under a Facility may, if it gives the Agent not less than five (5) Business Days' prior notice, prepay the whole or any part of the Facility A Loan (but, if in part, being an amount that reduces the Facility A Loan by a minimum amount of HK\$500,000).

8.4 Voluntary prepayment of Revolving Facility Loans

The Borrower may, if it gives the Agent not less than three (3) Business Days' prior notice, prepay the whole or any part of a Revolving Facility Loan (but, if in part, being an amount that, whether alone or with any such prepayment made by any other Borrower at such time, reduces the Base Currency Amount of such Revolving Facility Loan by a minimum amount of (i) in case of a Loan denominated in HK dollars, HK\$15,000,000, and (ii) in case of a Loan denominated in any other currency, the equivalent of USD2,000,000 in such other currency, rounded up to the nearest appropriate million, ten million, hundred million, etc., as determined by the Agent (acting reasonably)).

9. Mandatory prepayment

Each Borrower shall prepay the Utilisations and/or cancel Commitments under the Facilities on the dates and in accordance, and otherwise comply, with the provisions of this Clause 9 (*Mandatory prepayment*).

9.1 Definitions

For the purposes of this Clause 9 (*Mandatory prepayment*):

“**Concession Expiry**” means a termination, revocation, rescission or modification of a Gaming Concession (including by way of expiry on its terms) which has had a material adverse effect on the financial condition, business, properties, or results of operations of the Group (taken as a whole), excluding any termination, revocation, rescission or modification resulting from or in connection with any renewal, tender or other process conducted by the Macau SAR government in connection with the granting or renewal of any Gaming Concession, **provided** that such renewal, tender or other process results in the granting of a new or renewal of the relevant Gaming Concession.

“**Concession-Related Mandatory Prepayment Event**” means the occurrence of:

- (a) a Concession Expiry; or
- (b) a Land Concession Termination.

“**Disposal Prepayment Event**” means the Disposal of all or substantially all of the business and assets of the Group or all the Obligors.

“**Land Concession Termination**” means the termination, revocation or rescission of the Amended Land Concession (including by way of expiry on its terms but excluding, for the avoidance of doubt, any Permitted Land Concession Amendment) unless a new land concession(s) with respect to the Property is or are granted to one or more of the members of the Group in replacement of the Amended Land Concession.

9.2 Change of Control, Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event

- (a) If a Change of Control or Concession-Related Mandatory Prepayment Event occurs:
 - (i) the Parent will promptly notify the Agent upon becoming aware of that event;
 - (ii) no Lender shall be obliged to fund a Utilisation (except for a Rollover Loan) and an Ancillary Lender shall not be obliged to fund a utilisation of an Ancillary Facility (unless the terms of such Ancillary Facility provide otherwise); and
 - (iii) if a Lender so requires and notifies the Agent within 20 Business Days of the earlier of (A) the Parent's notifying the Agent of the event and (B) that Lender becoming aware the event has occurred, the Agent shall, by not less than 10 Business Days' notice to the Parent, cancel the Commitment(s) of that Lender in respect of the Revolving Facility and declare the participation of that Lender in all outstanding Utilisations in respect of the Revolving Facility and Ancillary Outstandings, together with accrued interest and all other amounts accrued under the Finance Documents to that Lender (including, without limitation, in respect of Facility A (other than the principal amount outstanding in respect of the Facility A Loan)), immediately due and payable, whereupon the Commitment of that Lender in respect of the Revolving Facility will be cancelled and, to the extent that Lender's relevant participations have not been transferred pursuant to Clause 37.5 (*Replaceable Lenders*), all such outstanding amounts will become immediately due and payable and full cash cover in respect of its contingent liability under an Ancillary Facility shall become immediately due and payable.
- (b) Subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, if a Disposal Prepayment Event occurs, the Facilities will be cancelled and all outstanding Utilisations, together with accrued interest and all other amounts accrued under the Finance Documents, shall become immediately due and payable.
- (c) In accordance with paragraph (e) of Clause 37.3 (*Exceptions*), any waiver which relates to a right to prepayment under this Clause 9.2 may only be waived with the consent of the Lender that is entitled to the prepayment.

9.3 [Reserved]

9.4 [Reserved]

9.5 [Reserved]

9.6 [Reserved]

9.7 [Reserved]

10. Restrictions

10.1 Notices of cancellation or prepayment

Any notice of cancellation or prepayment, authorisation or other election given by any Party under Clause 8 (*Illegality, voluntary prepayment and cancellation*) shall be irrevocable and, unless a contrary indication appears in this Agreement, any such notice shall specify the date or dates upon which the relevant cancellation or prepayment is to be made, the affected Facility (or Facilities) and Utilisations and the amount of that cancellation or prepayment.

10.2 Interest and other amounts

Any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid and, subject to any Break Costs, without premium or penalty.

10.3 Reborrowing of Facilities

The Borrower shall not reborrow any part of Facility A which is prepaid. Unless a contrary indication appears in this Agreement, any part of the Revolving Facility which is repaid or voluntarily prepaid may be reborrowed in accordance with the terms of this Agreement.

10.4 Prepayment in accordance with Agreement

The Borrower shall not repay or prepay all or any part of the Utilisations or cancel all or any part of the Commitments except at the times and in the manner expressly provided for in this Agreement.

10.5 No reinstatement of Commitments

No amount of the Total Commitments cancelled under this Agreement may be subsequently reinstated.

10.6 Agent's receipt of notices

If the Agent receives a notice under Clause 8 (*Illegality, voluntary prepayment and cancellation*), it shall promptly forward a copy of that notice or election to either the Borrower or the affected Lender, as appropriate.

10.7 Prepayment notices

The Agent shall notify the Lenders as soon as possible of any proposed prepayment of that Facility under Clause 8.3 (*Voluntary prepayment of the Facility A Loan*).

10.8 Effect of repayment and prepayment

If all or part of a Loan under the Revolving Facility is repaid or prepaid and is not available for redrawing (other than by operation of Clause 4.1 (*Utilisation conditions precedent*)), an amount of the Commitments (equal to the amount of the Base Currency Amount of the Loan which is repaid or prepaid) in respect of the Revolving Facility will be deemed to be cancelled on the date of repayment or prepayment. Any cancellation under this Clause 10.8 (save in connection with any repayment or, as the case may be, prepayment under paragraph (c) of Clause 8.1 (*Illegality*), paragraph (a) of Clause 9.2 (*Change of Control, Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event*) or Clause 37.7 (*Cancellation and repayment of a Replaceable Lender (other than an Illegal Lender)*)) shall reduce the Commitments of the Lenders rateably under the Revolving Facility.

SECTION 5
COSTS OF UTILISATION

11. Interest

11.1 Calculation of interest – Term Rate Loans

The rate of interest on each Term Rate Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

- (a) Margin; and
- (b) (i) in relation to any Term Rate Loan in the Base Currency, HIBOR; or
- (ii) in relation to any Term Rate Loan in any other currency, the Benchmark Rate for that currency,

in each case for such Term Rate Loan and such Interest Period.

11.2 Calculation of interest – Term SOFR Loans

The rate of interest on each Term SOFR Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

- (a) Margin;
- (b) Reference Rate; and
- (c) Credit Adjustment Spread,

in each case for such Term SOFR Loan and such Interest Period.

11.3 Payment of interest

The Borrower to which a Loan has been made shall pay accrued interest on that Loan on the last day of each Interest Period (and, if the Interest Period is longer than three Months, on the dates falling at three-monthly intervals after the first day of the Interest Period).

11.4 Default interest

- (a) If an Obligor fails to pay any amount payable by it under a Finance Document on its due date, interest shall accrue on the Unpaid Sum from the due date up to the date of actual payment (both before and after judgment) at a rate which, subject to paragraph (b) below, is 2 per cent. per annum higher than the rate which would have been payable if the Unpaid Sum had, during the period of non-payment, constituted a Loan in the currency of the Unpaid Sum for successive Interest Periods, each of a duration selected by the Agent (acting reasonably). Any interest accruing under this Clause 11.4 shall be immediately payable by the relevant Obligor on demand by the Agent.
- (b) If any Unpaid Sum consists of all or part of a Loan which became due on a day which was not the last day of an Interest Period relating to that Loan:
 - (i) the first Interest Period for that Unpaid Sum shall have a duration equal to the unexpired portion of the current Interest Period relating to that Loan; and
 - (ii) the rate of interest applying to the Unpaid Sum during that first Interest Period shall be 2 per cent. per annum higher than the rate which would have applied if the Unpaid Sum had not become due.

- (c) Default interest (if unpaid) arising on an Unpaid Sum will be compounded with the Unpaid Sum at the end of each Interest Period applicable to that Unpaid Sum but will remain immediately due and payable.

11.5 Notification of rates of interest

The Agent shall promptly notify the Lenders and the relevant Borrower (or the Parent) of the determination of a rate of interest under this Agreement.

12. Interest Periods

12.1 Selection of Interest Periods

- (a) The Borrower (or the Parent on behalf of the Borrower) may select a subsequent Interest Period for the Facility A Loan in a Selection Notice. The Borrower (or the Parent on behalf of the Borrower) may select an Interest Period for a Revolving Facility Loan in the Utilisation Request for that Revolving Facility Loan.
- (b) Each Selection Notice for the Facility A Loan is irrevocable and must be delivered to the Agent by the Borrower (or the Parent on behalf of the Borrower) not later than 11.00 a.m. on the fifth Business Day prior to the commencement of the next Interest Period.
- (c) If the Borrower (or the Parent) fails to deliver a Selection Notice to the Agent in accordance with paragraph (b) above, the relevant Interest Period in respect of the Facility A Loan will be one Month.
- (d) Subject to this Clause 12, the Borrower (or the Parent) may select an Interest Period for a Loan of one, three or six Months or any other period agreed between the Borrower and the Agent (acting on the instructions of all the Lenders in relation to the relevant Loan).
- (e) An Interest Period for a Loan shall not extend beyond the Termination Date applicable to its Facility.
- (f) Each Interest Period for a Loan shall start on the Utilisation Date with respect to that Loan or (if already made) on the last day of its preceding Interest Period.
- (g) A Revolving Facility Loan has one Interest Period only.

12.2 Non-Business Days

If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

13. Changes to the calculation of interest

13.1 Absence of quotations

Subject to Clause 13.2 (*Market disruption*) and Clause 37.3A (*Replacement of Screen Rate*), if HIBOR or, if applicable, a Benchmark Rate, is to be determined by reference to the Reference Banks but a Reference Bank does not supply a quotation by (in relation to HIBOR) 11:00 a.m. (Hong Kong SAR time) on the Quotation Date for HK dollars or (in relation to a Benchmark Rate) 5:00 p.m. (Hong Kong SAR time) one Business Day after the Quotation Date for Optional Currencies, HIBOR, or, if applicable, that Benchmark Rate shall be determined on the basis of the quotations of the remaining Reference Banks.

13.2 Market disruption

- (a) If a Market Disruption Event occurs in relation to a Loan for any Interest Period, then the rate of interest on each Lender's share of that Loan for the Interest Period shall be the percentage rate per annum which is the sum of:
 - (i) the Margin; and
 - (ii) the rate notified to the Agent by that Lender as soon as practicable and in any event not less than the date falling two (2) Business Days after the Quotation Date (or, if earlier, on the date falling two (2) Business Days prior to the date on which interest is due to be paid in respect of that Interest Period), to be that which expresses as a percentage rate per annum the cost to that Lender of funding its participation in that Loan from whatever source it may reasonably select.
- (b) In this Agreement "**Market Disruption Event**" means:
 - (i) at or about noon on the Quotation Date for the relevant Interest Period for the relevant Loan the Screen Rate is not available or the Screen Rate is zero or negative and none or only one of the Reference Banks supplies a rate to the Agent to determine HIBOR or, if applicable, a Benchmark Rate for the relevant currency and Interest Period; or
 - (ii) before close of business on the Business Day immediately following the Quotation Date for the relevant Interest Period, the Agent receives notifications from a Lender or Lenders (whose aggregate participations in that Loan exceed 35 per cent. of that Loan) that the cost to it of obtaining matching deposits in the Relevant Interbank Market would be in excess of HIBOR or, if applicable, the Benchmark Rate.
- (c) If a Market Disruption Event shall occur, the Agent shall promptly notify the Lenders and the Borrower thereof.
- (d) If:
 - (i) the percentage rate per annum notified by a Lender pursuant to paragraph (a)(ii) above is less than HIBOR or, if applicable, the Benchmark Rate; or
 - (ii) a Lender has not notified the Agent of a percentage rate per annum notified by a Lender pursuant to paragraph (a)(ii) above, the cost to that Lender of funding its participation in that Loan for that Interest Period shall be deemed, for the purposes of paragraph (a) above, to be HIBOR or, if applicable, the Benchmark Rate.

13.3 Alternative basis of interest or funding

- (a) If a Market Disruption Event occurs or Clause 13.6 (*Cost of Funds*) applies and the Agent or the Borrower so requires, the Agent and the Borrower shall enter into negotiations (for a period of not more than thirty days) with a view to agreeing a substitute basis for determining the rate of interest.
- (b) Any alternative basis agreed pursuant to paragraph (a) above shall, with the prior consent of all the Lenders and the Borrower, be binding on all Parties.
- (c) For the avoidance of doubt, in the event that no substitute basis is agreed at the end of the thirty day period, the rate of interest shall continue to be determined in accordance with the terms of this Agreement.

13.4 Break Costs

- (a) Each Borrower shall, within three (3) Business Days of demand by a Finance Party, pay to that Finance Party its Break Costs attributable to all or any part of a Loan or Unpaid Sum being paid by that Borrower on a day other than the last day of an Interest Period for that Loan or Unpaid Sum.
- (b) Each Lender shall, as soon as reasonably practicable after a demand by the Agent, provide a certificate confirming the amount of its Break Costs for any Interest Period in which they accrue.

13.5 Unavailability of Term SOFR

- (a) *Interpolated Term SOFR*: If Term SOFR is not available for the Interest Period of a Term SOFR Loan, the Reference Rate for such Interest Period shall be Interpolated Term SOFR for a period equal in length to the Interest Period of that Term SOFR Loan.
- (b) *Historic Term SOFR*: If paragraph (a) above applies but Interpolated Term SOFR is not available for the Interest Period of the relevant Term SOFR Loan, the Reference Rate for such Interest Period shall be Historic Term SOFR for a period equal in length to the Interest Period of that Term SOFR Loan.
- (c) *Interpolated Historic Term SOFR*: If paragraph (b) above applies but Historic Term SOFR is not available for the Interest Period of the relevant Term SOFR Loan, the Reference Rate for such Interest Period shall be Interpolated Historic Term SOFR for a period equal in length to the Interest Period of that Term SOFR Loan.
- (d) *Cost of funds*: If paragraph (c) above applies but the Interpolated Historic Term SOFR is not available for the Interest Period of the relevant Term SOFR Loan, there shall be no Reference Rate for that Term SOFR Loan and Clause 13.6 (*Cost of Funds*) shall apply to that Term SOFR Loan for that Interest Period.

13.6 Cost of Funds

- (a) If this Clause 13.6 applies, then the rate of interest on each Lender's share of that Loan for the Interest Period shall be the percentage rate per annum which is the sum of:
 - (i) the Margin; and
 - (ii) the rate notified to the Agent by that Lender as soon as practicable and in any event not less than the date falling two (2) Business Days after the Quotation Date (or, if earlier, on the date falling two (2) Business Days prior to the date on which interest is due to be paid in respect of that Interest Period), to be that which expresses as a percentage rate per annum the cost to that Lender of funding its participation in that Loan from whatever source it may reasonably select.
- (b) If a Lender has not notified the Agent of a percentage rate per annum notified by a Lender pursuant to paragraph (a)(ii) above, the cost to that Lender of funding its participation in that Loan for that Interest Period shall be deemed, for the purposes of paragraph (a) above, to be the average of the percentage rate(s) per annum notified to the Agent by each of the other Lenders which has notified the Agent of a percentage rate per annum notified by a Lender pursuant to paragraph (a)(ii) above.

14. Fees

14.1 Commitment fee

- (a) The Borrower shall (or shall procure that a Group Member will) pay to the Agent (for the account of each Lender under the Revolving Facility) a commitment fee in the Base Currency that is computed at a rate of 35 per cent. of the Margin applicable to the Revolving Facility on that Lender's Available Commitment under the Revolving Facility for the period from (and including) the first date of the Availability Period applicable to the Revolving Facility to (but excluding) the last day of the Availability Period applicable to the Revolving Facility.
- (b) The accrued commitment fee is payable on the last day of each successive period of three Months which ends during the relevant period specified in paragraph (a) above, on the last day of the relevant Availability Period and, if cancelled in full, on the cancelled amount of the relevant Lender's Commitment at the time such cancellation is effective.
- (c) No commitment fee is payable to the Agent (for the account of a Lender) on any Available Commitment of that Lender for any day on which that Lender is a Defaulting Lender.

14.2 Agent's fee

The Borrower shall pay to the Agent (for its own account) an agency fee in the amount and at the times agreed in any Fee Letter.

14.3 Interest, commission and fees on Ancillary Facilities

The rate and time of payment of interest, commission, fees and any other remuneration in respect of each Ancillary Facility shall be determined by agreement between the relevant Ancillary Lender and the Borrower of that Ancillary Facility based upon normal market rates and terms.

SECTION 6
ADDITIONAL PAYMENT OBLIGATIONS

15. Tax gross-up and indemnities

15.1 Definitions

- (a) In this Agreement:

“**Protected Party**” means a Finance Party which is or will be subject to any liability or required to make any payment for or on account of Tax in relation to a sum received or receivable (or any sum deemed for the purposes of Tax to be received or receivable) under a Finance Document.

“**Tax Credit**” means a credit against, relief or remission for, or repayment of, any Tax.

“**Tax Deduction**” means a deduction or withholding for or on account of Tax from a payment under a Finance Document, other than a FATCA Deduction.

“**Tax Payment**” means either the increase in a payment made by an Obligor to a Finance Party under Clause 15.2 (*Tax gross-up*) or a payment under Clause 15.3 (*Tax indemnity*).

Unless a contrary indication appears, in this Clause 15 a reference to “**determines**” or “**determined**” means a determination made in the absolute discretion of the person making the determination.

15.2 Tax gross-up

- (a) Each Obligor shall make all payments to be made by it under a Finance Document without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) The Borrower shall promptly upon an Obligor becoming aware that such Obligor must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Agent accordingly. Similarly, a Lender shall notify the Agent on becoming so aware in respect of a payment payable to that Lender. If the Agent receives such notification from a Lender it shall notify the Borrower and that relevant Obligor.
- (c) If a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from that Obligor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- (d) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.
- (e) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Obligor making that Tax Deduction shall deliver to the Agent for the Finance Party entitled to the payment evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

15.3 Tax indemnity

- (a) Without prejudice to Clause 15.2 (*Tax gross-up*), the Borrower shall (within five (5) Business Days of demand by the Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Protected Party in respect of a Finance Document or the transactions occurring under such Finance Document.

- (b) Paragraph (a) above shall not apply:
 - (i) with respect to any Tax assessed on a Finance Party:
 - (A) under the law of the jurisdiction in which that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes; or
 - (B) under the law of the jurisdiction in which that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,

if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Finance Party;
 - (ii) to the extent a loss, liability or cost is compensated for by an increased payment under Clause 15.2 (*Tax gross-up*); or
 - (iii) to the extent a loss, liability or cost relates to a FATCA Deduction required to be made by a Party.
- (c) A Protected Party making, or intending to make a claim under paragraph (a) above shall notify the Agent of the event which will give, or has given, rise to the claim within 120 days after the date on which that Protected Party becomes aware of it (after which that Protected Party shall not be entitled to claim any indemnification or payment under this Clause 15.3), following which the Agent shall notify the Borrower.
- (d) A Protected Party shall, on receiving a payment from an Obligor under this Clause 15.3, notify the Agent.

15.4 Tax Credit

If an Obligor makes a Tax Payment and the relevant Finance Party determines that:

- (a) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part or to that Tax Payment; and
- (b) that Finance Party has obtained, utilised and retained that Tax Credit,

the Finance Party shall pay an amount to the relevant Obligor which that Finance Party determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the relevant Obligor.

15.5 Stamp taxes

The Borrower shall pay and, within five (5) Business Days of demand, indemnify each Secured Party against any cost, loss or liability that Secured Party incurs in relation to all stamp duty, registration, excise and other similar Taxes payable in respect of any Finance Document or the transactions occurring under any of them.

15.6 Indirect tax

- (a) All amounts set out or expressed in a Finance Document to be payable by any Party to a Finance Party shall be deemed to be exclusive of any Indirect Tax. If any Indirect Tax is chargeable on any supply made by any Finance Party to any Party in connection with a Finance Document, that Party shall pay to the Finance Party (in addition to and at the same time as paying the consideration) an amount equal to the amount of the Indirect Tax.

- (b) Where a Finance Document requires any Party to reimburse a Finance Party for any costs or expenses, that Party shall also at the same time pay and indemnify the Finance Party against all Indirect Tax incurred by that Finance Party in respect of the costs or expenses to the extent that the Finance Party reasonably determines that it is not entitled to credit or repayment in respect of the Indirect Tax.

15.7 Survival of obligations

Without prejudice to the survival of any other section of this Agreement, the agreements and obligations of each Obligor and each Finance Party contained in this Clause 15 shall survive the payment in full by the Obligors of all obligations under this Agreement and the termination of this Agreement.

15.8 FATCA Information

- (a) Subject to paragraph (c) below, each Party shall, within 10 Business Days of a reasonable request by another Party:
 - (i) confirm to that other Party whether it is:
 - (A) a FATCA Exempt Party; or
 - (B) not a FATCA Exempt Party;
 - (ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and
 - (iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation, or exchange of information regime.
- (b) If a Party confirms to another Party pursuant to paragraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.
- (c) Paragraph (a) above shall not oblige any Finance Party to do anything, and paragraph (a)(iii) above shall not oblige any other Party to do anything, which would or might in its reasonable opinion constitute a breach of:
 - (i) any law or regulation;
 - (ii) any fiduciary duty; or
 - (iii) any duty of confidentiality.
- (d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraph (a)(i) or (ii) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Finance Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

15.9 FATCA Deduction

- (a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.
- (b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the Party to whom it is making the payment and, in addition, shall notify the Borrower and the Agent and the Agent shall notify the other Finance Parties.

16. Increased Costs

16.1 Increased costs

- (a) Subject to Clause 16.3 (*Exceptions*) the Borrower shall, within five (5) Business Days of a demand by the Agent, pay for the account of a Finance Party the amount of any Increased Costs incurred by that Finance Party or any of its Affiliates as a result of:
 - (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation after the date of this Agreement; or
 - (ii) compliance with any law or regulation made after the date of this Agreement.

The terms “law” and “regulation” in this paragraph (a) shall include, without limitation, any law or regulation concerning capital adequacy, prudential limits, liquidity, reserve assets or Tax.

- (b) In this Agreement:

- (i) “**Increased Costs**” means:

- (A) a reduction in the rate of return from a Facility or on a Finance Party’s (or its Affiliate’s) overall capital (including, without limitation, as a result of any reduction in the rate of return on capital brought about by more capital being required to be allocated by such Finance Party);
 - (B) an additional or increased cost; or
 - (C) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Finance Party or any of its Affiliates to the extent that it is attributable to that Finance Party having entered into its Commitment or funding or performing its obligations under any Finance Document; and

- (ii) “**Basel III**” means (A) the agreements on capital requirements, a leverage ratio and liquidity standards contained in “Basel III: A global regulatory framework for more resilient banks and banking systems”, “Basel III: International framework for liquidity risk measurement, standards and monitoring” and “Guidance for national authorities operating the countercyclical capital buffer” published by the Basel Committee on Banking Supervision on 16 December 2010, each as amended, supplemented or restated, (B) the rules for global systemically important banks contained in “Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text” published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated and (C) any further guidance or standards published by the Basel Committee on Banking Supervision relating to “Basel III”.

16.2 Increased cost claims

- (a) A Finance Party intending to make a claim pursuant to Clause 16.1 (*Increased costs*) shall notify the Agent of the event giving rise to the claim within 120 days of the date on which that Finance Party becomes aware of it, following which the Agent shall promptly notify the Borrower.
- (b) Each Finance Party shall, as soon as practicable after a demand by the Agent, provide a certificate confirming the amount of its Increased Costs.

16.3 Exceptions

- (a) Clause 16.1 (*Increased costs*) does not apply to the extent any Increased Cost is:
 - (i) attributable to a Tax Deduction required by law to be made by an Obligor;
 - (ii) compensated for by Clause 15.3 (*Tax indemnity*) (or would have been compensated for under Clause 15.3 (*Tax indemnity*) but was not so compensated solely because any of the exclusions in paragraph (b) of Clause 15.3 (*Tax indemnity*) applied);
 - (iii) attributable to a FATCA Deduction required to be made by a Party;
 - (iv) attributable to the wilful breach by the relevant Finance Party or its Affiliates of any law or regulation; or
 - (v) attributable to the implementation or application of or compliance with the “International Convergence of Capital Measurement and Capital Standards, a Revised Framework” published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement (but excluding any amendment arising out of Basel III) (“**Basel II**”) or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its Affiliates); or
 - (vi) not notified to the Agent by the Finance Party (that is claiming any indemnification or payment under this Clause 16 in respect of such Increased Cost) within 120 days of the date of such Finance Party becoming aware of the event giving rise to such Increased Costs in accordance with paragraph (a) of Clause 16.2 (*Increased costs claims*).
- (b) In this Clause 16.3, a reference to a “**Tax Deduction**” has the same meaning given to the term in Clause 15.1 (*Definitions*).

17. Other indemnities

17.1 Currency indemnity

- (a) If any sum due from an Obligor under the Finance Documents (a “**Sum**”), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the “**First Currency**”) in which that Sum is payable into another currency (the “**Second Currency**”) for the purpose of:

(i) making or filing a claim or proof against that Obligor; or

(ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

that Obligor shall as an independent obligation, within five (5) Business Days of demand, indemnify each Finance Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

- (b) Each Obligor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

17.2 Other indemnities

- (a) The Borrower shall (or shall procure that an Obligor will), within five (5) Business Days of demand, indemnify each Finance Party against any cost, loss or liability incurred by it as a result of:

(i) the occurrence of any Event of Default;

(ii) any information produced or approved by any Obligor being or being alleged to be misleading and/or deceptive in any respect;

(iii) any enquiry, investigation, subpoena (or similar order) or litigation with respect to any Obligor or with respect to the transaction contemplated or financed under this Agreement;

(iv) a failure by an Obligor to pay any amount due under a Finance Document on its due date or in the relevant currency, including without limitation, any cost, loss or liability arising as a result of Clause 30 (*Sharing among the Finance Parties*);

(v) funding, or making arrangements to fund, its participation in a Loan requested in a Utilisation Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by that Finance Party alone); or

(vi) a Loan (or part of a Loan) not being prepaid in accordance with a notice of prepayment given by the Borrower or the Parent.

17.3 Indemnity to the Agent

The Borrower shall promptly indemnify the Agent against:

- (a) any cost, loss or liability incurred by the Agent (acting reasonably) as a result of:

(i) investigating any event which it reasonably believes is a Default; and

(ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; and

- (b) any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Agent (otherwise than by reason of the Agent's gross negligence or wilful misconduct) in acting as Agent under the Finance Documents.

18. Mitigation by the Lenders

18.1 Mitigation

- (a) Each Finance Party shall, in consultation with the Borrower, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under or pursuant to, or cancelled pursuant to, any of Clause 8.1 (*Illegality*), Clause 15 (*Tax gross-up and indemnities*) or Clause 16 (*Increased Costs*), including (but not limited to) transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office.
- (b) Paragraph (a) above does not in any way limit the obligations of any Obligor under the Finance Documents.

18.2 Limitation of liability

- (a) The Borrower shall indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party as a result of steps taken by it under Clause 18.1 (*Mitigation*).
- (b) A Finance Party is not obliged to take any steps under Clause 18.1 (*Mitigation*) if, in the opinion of that Finance Party (acting reasonably), to do so might be prejudicial to it.

19. Costs and expenses

19.1 Transaction expenses

The Borrower shall within five (5) Business Days (other than in respect of costs and expenses required to be paid as a condition to Utilisation) of demand pay (or shall procure that another member of the Group will pay) the Agent, the Common Security Agent and the POA Agent the amount of all costs and expenses (including legal fees but subject to any agreed caps) reasonably incurred by the Agent, the Common Security Agent or the POA Agent as applicable (and, in the case of the Common Security Agent and the POA Agent, by any Receiver or Delegate) in connection with the negotiation, preparation, printing, execution, syndication and perfection of any Finance Documents executed after the date of this Agreement.

19.2 Amendment costs

If an Obligor requests an amendment, waiver or consent or an amendment is required pursuant to Clause 31.10 (*Change of currency*), Clause 37.3A (*Replacement of Screen Rate*) or any other provision of this Agreement, the Borrower shall, within five (5) Business Days of demand, reimburse (or shall procure that another member of the Group will reimburse) each of the Agent, the Common Security Agent and the POA Agent for the amount of all costs and expenses (including legal fees, disbursements and other out of pocket expenses) reasonably incurred or made by the Agent, the Common Security Agent or the POA Agent as applicable (and, in the case of the Common Security Agent and the POA Agent, by any Receiver or Delegate) in responding to, evaluating, negotiating or complying with that request or requirement.

19.3 Common Security Agent's ongoing costs

- (a) In the event of (i) a Default or (ii) the Common Security Agent considering it necessary or expedient or (iii) the Common Security Agent being requested by an Obligor or the Majority Lenders to undertake duties which the Common Security Agent and the Borrower agree to be of an exceptional nature and/or outside the scope of the normal duties of the Common Security Agent under the Finance Documents, the Borrower shall pay (or shall procure that another member of the Group will pay) to the Common Security Agent any additional remuneration that may be agreed between them.

- (b) If the Common Security Agent and the Borrower fail to agree upon the nature of the duties or upon any additional remuneration, that dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Common Security Agent and approved by the Borrower or, failing approval, nominated (on the application of the Common Security Agent) by the President for the time being of the Law Society of Hong Kong (the costs of the nomination and of the investment bank being payable by the Borrower) and the determination of any investment bank shall be final and binding upon the parties to this Agreement.

19.4 Enforcement and preservation costs

The Borrower shall, within five (5) Business Days of demand, pay (or shall procure that another member of the Group will pay) to each Secured Party the amount of all costs and expenses (including legal fees, disbursements and other out of pocket expenses) incurred by it in connection with the enforcement of or the preservation of any rights under any Finance Document and the Transaction Security and any proceedings instituted by or against the Common Security Agent or the POA Agent as a consequence of taking or holding the Transaction Security or enforcing these rights.

SECTION 7
GUARANTEE

20. Guarantee and indemnity

20.1 Guarantee and indemnity

Each Guarantor irrevocably and unconditionally jointly and severally:

- (a) guarantees to each Finance Party punctual performance by each other Obligor of all that Obligor's obligations under the Finance Documents;
- (b) undertakes with each Finance Party that whenever another Obligor does not pay any amount when due under or in connection with any Finance Document, that Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) agrees with each Finance Party that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Finance Party immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Finance Document on the date when it would have been due. The amount payable by a Guarantor under this indemnity will not exceed the amount it would have had to pay under this Clause 20 if the amount claimed had been recoverable on the basis of a guarantee.

20.2 Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

20.3 Reinstatement

If for any reason (including, without limitation, as a result of insolvency, breach of fiduciary or statutory duties or any similar event):

- (a) any payment to a Finance Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided, reduced or required to be restored, or
- (b) any discharge, compromise or arrangement (whether in respect of the obligations of any Obligor or any security for any such obligation or otherwise) given or made wholly or partly on the basis of any payment, security or other matter which is avoided, reduced or required to be restored,

then:

- (i) the liability of each Obligor shall continue (or be deemed to continue) as if the payment, discharge, compromise or arrangement had not occurred; and
- (ii) each Finance Party shall be entitled to recover the value or amount of that payment or security from each Obligor, as if the payment, discharge, compromise or arrangement had not occurred.

20.4 Waiver of defences

The obligations of each Guarantor under this Clause 20 will not be affected by any act, omission, matter or thing which, but for this Clause 20, would reduce, release or prejudice any of its obligations under this Clause 20 (without limitation and whether or not known to it or any Finance Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security (whether pursuant to Clause 2.2 (*Increase*) or by any other means);
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security;
- (g) any insolvency or similar proceedings; or
- (h) this Agreement or any other Finance Document not being executed by or binding against any other Guarantor or any other party.

20.5 Guarantor intent

Without prejudice to the generality of Clause 20.4 (*Waiver of defences*), each Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental and of whatsoever nature and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for or in connection with any purpose whatsoever, including without limitation, any of the following: any amendment or waiver contemplated under a Fee Letter, any Property or Site expansion; acquisitions of any nature; increasing working capital; enabling dividends or distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and expenses associated with any of the foregoing.

20.6 Immediate recourse

Each Guarantor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Clause 20. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

20.7 Appropriations

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, each Finance Party (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Guarantor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from any Guarantor or on account of any Guarantor's liability under this Clause 20.

20.8 Deferral of Guarantors' rights

Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Agent otherwise directs, no Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Clause 20:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any other guarantor of any Obligor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Guarantor has given a guarantee, undertaking or indemnity under this Clause 20;
- (e) to exercise any right of set off against any Obligor; and/or
- (f) to claim or prove as a creditor of any Obligor in competition with any Finance Party.

If any Obligor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all the Secured Obligations to be repaid or discharged in full, on trust for the Finance Parties and shall promptly pay or transfer the same to the Agent or as the Agent may direct for application in accordance with Clause 31 (*Payment mechanics*).

20.9 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party.

SECTION 8
REPRESENTATIONS, UNDERTAKINGS AND EVENTS OF DEFAULT

21. Representations

Each Obligor makes the representations and warranties set out in this Clause 21 (*Representations*) to each Finance Party at the times set out herein.

21.1 Times when representations made

- (a) All the representations and warranties in this Clause 21 are made by each Obligor on the 2016 Amendment and Restatement Effective Date, the 2021 Amendment and Restatement Effective Date and the 2024 Amendment and Restatement Effective Date.
- (b) The Repeating Representations are deemed to be made by each Obligor on:
 - (i) the date of each Utilisation Request;
 - (ii) each Utilisation Date; and
 - (iii) the first day of each Interest Period.
- (c) The representations and warranties set out in paragraph (a) of Clause 21.14 (*Financial statements*) are deemed to be made by the Borrower in respect of each set of financial statements supplied to the Agent on the date such financial statements are delivered and shall only be made once in respect of each set of financial statements.
- (d) The Repeating Representations and each of the representations and warranties set out in Clause 21.9 (*No filing or stamp taxes*), Clause 21.10 (*Deduction of Tax*) and paragraph (a) of Clause 21.14 (*Financial statements*) (as if such representation applied to the financial statements delivered by that Additional Guarantor as a condition precedent to its accession to this Agreement) are deemed to be made by each Additional Guarantor on the day on which it becomes an Additional Guarantor.
- (e) Each representation or warranty made or deemed to be made after the date of the 2016 Amendment and Restatement Effective Date shall be made or deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is made or deemed to be made.

21.2 Status

- (a) Each Obligor is a limited liability corporation or company duly incorporated or organised, as the case may be, and validly existing under the law of its jurisdiction of incorporation or organisation, as the case may be.
- (b) Each of the Obligors has the power to own its assets and carry on its business as it is being conducted.

21.3 Binding obligations

Subject to the Legal Reservations:

- (a) the obligations expressed to be assumed by each Obligor in each Transaction Document to which it is a party are legal, valid, binding and enforceable obligations; and
- (b) without limiting the generality of paragraph (a) above, each Transaction Security Document to which it is a party creates the security interests which that Transaction Security Document purports to create and those security interests are valid and effective.

21.4 Pari Passu

The payment obligations under the Finance Documents of each of the Obligor rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

21.5 Non-conflict with other obligations

The entry into and performance by each Obligor of, and the transactions contemplated by, the Transaction Documents and the granting of the Transaction Security do not and will not conflict with:

- (a) any law or regulation applicable to such Obligor;
- (b) its Constitutional Documents; or
- (c) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument, except where a Material Adverse Effect does not or would not be reasonably expected to occur.

21.6 Power and authority

Each Obligor has the power to enter into, perform and deliver, and if that Obligor is a corporation has taken all necessary corporate action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is or will be a party and the transactions contemplated by those Transaction Documents.

21.7 Validity and admissibility in evidence

- (a) All Authorisations required:
 - (i) to enable each Obligor lawfully to enter into, exercise its rights and comply with its obligations under the Transaction Documents to which it is a party; and
 - (ii) to make the Transaction Documents to which it is a party admissible in evidence in its Relevant Jurisdictions, have been obtained or effected and are in full force and effect.
- (b) All Authorisations necessary for it to carry out its business, where the failure of obtaining such Authorisations has or would reasonably be expected to have a Material Adverse Effect, have been obtained or effected and are in full force and effect.

21.8 Governing law and enforcement

Subject to the Legal Reservations:

- (a) the choice of governing law of the Finance Documents will be recognised and enforced in each Obligor's Relevant Jurisdictions; and
- (b) any judgment obtained in relation to a Finance Document in the jurisdiction of the governing law of that Finance Document will be recognised and enforced in its Relevant Jurisdictions.

21.9 No filing or stamp taxes

Subject to the Legal Reservations, under the laws of each Obligor's Relevant Jurisdictions it is not necessary that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to the Finance Documents or the transactions contemplated by the Finance Documents (save for (i) the associated fees, duties or similar payments pursuant to the Perfection Requirements, (ii) any stamp, registration, notarial or similar Tax which is referred to in any legal opinion of legal counsel in Macau SAR delivered to the Agent under the 2016 Amendment and Restatement Agreement, the 2021 Amendment and Restatement Agreement or the 2024 Amendment and Restatement Agreement, which will be made or paid promptly after the date of the relevant Finance Document and (iii) Cayman Islands stamp duty will be payable on any Finance Document that is brought into, executed in or produced before the courts of, the Cayman Islands).

21.10 Deduction of Tax

No Obligor is required under the laws of its Relevant Jurisdiction or at its address specified in accordance with this Agreement to make any deduction for or on account of Tax from any payment it may make under any Finance Document.

21.11 No default

- (a) No Event of Default is continuing or would reasonably be expected to result from the making of any utilisation or the entry into, the performance of, or any transaction contemplated by, any Transaction Document.
- (b) No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (however described) under any other agreement or instrument which is binding on any Obligor or to which its assets are subject which has or would reasonably be expected to have a Material Adverse Effect.

21.12 Taxation

No Obligor is materially overdue in the filing of any Tax returns nor is any Obligor overdue in the payment of any amount in respect of Tax, (a) where the failure to file or pay the Tax has or would reasonably be expected to have a Material Adverse Effect or (b) unless such payment is being contested in good faith by appropriate measures and sufficient reserves in cash or other liquid assets have been retained in accordance with GAAP in respect of such payment.

21.13 No misleading information

Except as disclosed to the Agent in writing prior to the date of this Agreement, to the Borrower's knowledge (*provided that* such limitation by reference to the Borrower's knowledge shall not apply with respect to information that solely relates to the Borrower and does not relate to any other member of the Group):

- (a) any financial projection or forecast contained in the Financial Model (the "**Projections**") have been prepared in good faith on the basis of recent historical information and on the basis of assumptions believed by the Borrower to be reasonable (as at the time of preparation) and have been prepared, where applicable, in accordance with the applicable accounting principles as disclosed to the Lenders, it being understood that the Projections are subject to significant uncertainties and contingencies many of which are beyond the control of the Group and that no assurances can be given that the Projections will be realised;

- (b) any written factual information provided by any member of the Group to a Finance Party in connection with the Financial Model or the negotiation of and entry into the 2016 Amended and Restatement Agreement is, taken as a whole, true, complete and accurate in all material respects and is, taken as a whole, not misleading in any respect (in each case) as at the date on which such information is provided; and
- (c) all other written information provided by any member of the Group to a Finance Party pursuant to any express provision of any Finance Document on or after the 2016 Amendment and Restatement Effective Date is, taken as a whole, true, complete and accurate in all material respects and is, taken as a whole, not misleading in any respect (in each case) as at the date on which such information is provided other than as disclosed to the Agent in writing on or before the date on which such information is provided.

21.14 Financial statements

- (a) The most recent consolidated financial statements of the Parent delivered pursuant to Clause 22.4 (*Financial statements*) or otherwise pursuant to this Agreement:
 - (i) have been prepared in accordance with GAAP; and
 - (ii) give a true and fair view of (if audited) or fairly represent (if unaudited) its consolidated financial condition as at the end of, and consolidated results of operations for, the period to which they relate.
- (b) The Projections supplied under this Agreement or in connection with the 2016 Amended and Restatement Agreement:
 - (i) were arrived at after careful consideration and have been prepared in good faith and with due care on the basis of recent historical information and on the basis of assumptions which were reasonable as at the date they were prepared and supplied; and
 - (ii) are consistent in all material respects with the provisions of the Transaction Documents (including Clause 22 (*Information undertakings*)) and the Original Financial Statements.
- (c) Since 31 December 2015 there has been no material adverse change in the business, assets or financial condition of the Group (taken as a whole).

21.15 No proceedings started or threatened

Save for any frivolous or vexatious claims (which, in the case of any such proceedings commenced in any jurisdiction other than Macau SAR, have been vacated, discharged, stayed or bonded pending appeal within 60 days of commencement) or save as otherwise disclosed to and accepted by the Agent, to the best of its knowledge and belief and having made due and careful enquiry, no litigation, arbitration, administrative proceedings or investigations of, or before, any court, arbitral body or other Governmental Authority which has or would reasonably be expected to have a Material Adverse Effect have been started or threatened against any Obligor.

21.16 No breach of laws

No Obligor has breached any law or regulation which breach has or would reasonably be expected to have a Material Adverse Effect.

21.17 No breach of Environmental laws

- (a) Each Obligor is in compliance with Clause 23.4 (*Environmental compliance*) and to the best of its knowledge and belief (having made due and careful enquiry) no circumstances have occurred which would prevent such compliance in a manner or to an extent which has or would reasonably be expected to have a Material Adverse Effect.

- (b) To the best of its knowledge and belief (having made due and careful enquiry), the Property does not contain any hazardous substances or antiquities or other obstructions whose presence affects or would reasonably be expected to affect any Obligor or the Property or the Phase II Project in any manner that would reasonably be expected to have a Material Adverse Effect.

21.18 Ranking of Transaction Security

Subject to the Legal Reservations (other than any qualification or reservation in a legal opinion as to the ranking of the Transaction Security which are not matters of law of general application), the Transaction Security has or (when granted) will have first ranking priority and it is not subject to any prior ranking or *pari passu* ranking Security.

21.19 Good and marketable title to assets

Each Obligor has good, valid and marketable title to, or valid leases or licences of or is otherwise permitted to use the assets necessary to carry on its business as currently conducted.

21.20 Legal and beneficial ownership

- (a) Each of the Obligors is or will be (as the case may be) the sole legal and beneficial owner of the respective assets over which it purports to grant Security in each case free from any claims, third party rights or competing interests other than any Permitted Lien.
- (b) [Intentionally not used].

21.21 Shares

The shares of any Obligor which are or will be subject to the Transaction Security are fully paid and not subject to any option to purchase or similar rights. Neither the Constitutional Documents of companies whose shares are subject to the Transaction Security nor any other Legal Requirement can or do restrict or inhibit any transfer or other disposal of those shares on creation or enforcement of the Transaction Security except that the Constitutional Documents of the Macau Obligors contain certain preferential rights in case of a voluntary or judicial transfer of shares. There are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of any Obligor (including any option or right of pre-emption or conversion), other than as permitted by the Finance Documents).

21.22 Insurance

- (a) Each Obligor is insured by insurers of recognised financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses and in the jurisdiction in which it is or proposed to be engaged.
- (b) To the best knowledge and belief of each Obligor (after having made due and careful enquiry), no event or circumstance has occurred (including any omission to disclose any fact) which could validly entitle the relevant insurers in respect of any such insurance to terminate, rescind or otherwise avoid or reduce its liability under such insurance to the extent such termination, rescission, avoidance or reduction has or would reasonably be expected to have a Material Adverse Effect.

21.23 Amended Land Concession

- (a) The Agent has received a true, complete and correct copy of the Amended Land Concession in effect or required to be in effect as of the date this representation is made or (as a Repeating Representation) deemed to be made (including all exhibits, schedules, disclosure letters, modifications and amendments referred to therein or delivered or made pursuant thereto, if any).

- (b) The Amended Land Concession is in full force and effect and enforceable against the parties thereto in accordance with its terms, subject only to the Legal Reservations.

21.24 Labour disputes

There are no strikes, lockouts, stoppages, slowdowns or other labour disputes against any Obligor pending or, to the best of the knowledge and belief (having made all due and proper enquiry) of each Obligor, threatened that (individually or in the aggregate) have or would be reasonably expected to have a Material Adverse Effect.

21.25 Anti-terrorism laws

- (a) To the best of the Obligors' knowledge, no Obligor nor any Affiliate thereof: (i) is, or is controlled by, a Restricted Party; (ii) has received funds or other property from a Restricted Party; or (iii) is in breach of or is the subject of any action or investigation under any Anti-Terrorism Law.
- (b) Each Obligor and, to the best of the Obligors' knowledge, each Affiliate thereof has taken reasonable measures to ensure compliance with the Anti-Terrorism Laws.
- (c) The operations of each Obligor and, to the best of the Obligors' knowledge, each Group Member and each Affiliate of each Obligor and each Group Member thereof, are and have been conducted in material compliance with all applicable financial record keeping and reporting requirements and the applicable anti-money laundering and anti-terrorist financing statutes of jurisdictions where such Obligor, Group Member or Affiliate conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued or administered or enforced by any governmental agency (together with the Anti-Terrorism Laws, the "**Anti-Money Laundering and Anti-Terrorism Financing Laws**") and no action, suit or proceeding by or before any court or governmental agency, authority or body or arbitrator involving any Obligor, Group Member or Affiliate with respect to the Anti-Money Laundering and Anti-Terrorism Financing Laws are pending or threatened.

21.26 Acting as principal

Save for the Parent when acting in its capacity as Obligors' Agent, each Obligor is acting as principal for its own account and not as agent or trustee in any capacity on behalf of any person in relation to the Finance Documents.

22. Information undertakings

22.1 Content

The Obligors undertake to each Finance Party that they shall comply with the covenants set out in this Clause 22 (*Information undertakings*).

22.2 Duration

The covenants in this Clause 22 (*Information undertakings*) remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

22.3 Definitions

In this Agreement:

"**Annual Financial Statements**" means the financial statements for a Financial Year delivered pursuant to paragraph (a) of Clause 22.4 (*Financial statements*);

“**Financial Quarter**” means the period commencing on the day after one Quarter Date and ending on the next Quarter Date;

“**Financial Year**” means the annual accounting period of the Group ending on or about 31 December in each year;

“**Officer**” means the Chairman of the Board, Chief Executive Officer, Chief Financial Officer, President, any Executive Vice President, Senior Vice President or Vice President, Treasurer or Secretary of the Borrower or the Parent or Melco Resorts (as the case may be), or any Directors of the Board or any person acting in that capacity, in each case acting with due authority; and

“**Quarter Date**” means each of 31 March, 30 June, 30 September and 31 December in each Financial Year;

“**Quarterly Financial Statements**” means the financial statements delivered pursuant to paragraph (b) of Clause 22.4 (*Financial statements*).

22.4 Financial statements

The Parent shall supply to the Agent in sufficient copies for all the Lenders:

- (a) as soon as they are available, but in any event within 120 days after the end of each of its Financial Years the audited consolidated financial statements for that Financial Year of the Parent reported on by the Auditors commencing with the Financial Year ending 31 December 2016; and
- (b) as soon as they are available, but in any event within 60 days after the end of each of first three Financial Quarters of each of its Financial Years, the unaudited consolidated financial statements for that Financial Quarter of the Parent commencing with the Financial Quarter ending 31 March 2017.

22.5 Requirements as to financial statements

- (a) The Parent shall procure that each set of Annual Financial Statements and Quarterly Financial Statements includes a balance sheet, profit and loss account and cashflow statement. In addition the Parent shall procure that:
 - (i) each set of Annual Financial Statements of the Parent shall be audited by the Auditors; and
 - (ii) each set of Quarterly Financial Statements includes equivalent figures for the Financial Year to date and each set of Annual Financial Statements and Quarterly Financial Statements also sets forth in comparative form figures for the previous year (if any and to the extent only such periods, in each case, are covered by financial statements required to be delivered under paragraphs (a) and (b) of Clause 22.4 (*Financial statements*) above).
- (b) Each set of financial statements delivered pursuant to Clause 22.4 (*Financial statements*):
 - (i) shall be certified by an Officer of the Parent as giving a true and fair view of (in the case of Annual Financial Statements for any Financial Year), or fairly representing (in other cases), its financial condition and operations as at the date as at which those financial statements were drawn up, and in the case of its audited Original Financial Statements and the Annual Financial Statements, fairly representing (as at the time such financial statements are delivered) its consolidated financial condition and results of operations and give a true and fair view of its consolidated financial condition and results of operations; and

- (ii) shall be prepared using GAAP, accounting practices and financial reference periods substantially consistent with those applied in the preparation of the Financial Model and the Original Financial Statements unless the Parent notifies the Agent that there has been a change in GAAP, or the accounting practices, in which case, it shall deliver to the Agent:
 - (A) a description of any change necessary for those financial statements to reflect GAAP, or accounting practices upon which the Financial Model, the Original Financial Statements or, as the case may be, any subsequent financial statements were prepared; and
 - (B) sufficient information, in form and substance as may be reasonably required by the Agent, to enable the Lenders to make an accurate comparison between the financial position indicated in those financial statements and the Financial Model, the Original Financial Statements or, as the case may be, any subsequent financial statements.
- (c) If the Parent notifies the Agent of any change in accordance with paragraph (b)(ii) above, the Parent and Agent shall enter into negotiations in good faith with a view to agreeing:
 - (i) whether or not the change might result in any material alteration in the commercial effect of any of the terms of this Agreement; and
 - (ii) if so, any amendments to this Agreement which may be necessary to ensure that the change does not result in any material alteration in the commercial effect of those terms,

and, if any amendments are agreed they shall take effect and be binding on each of the Parties in accordance with their terms. If no such agreement is reached within 30 days of that notification of change, the Agent shall (if so requested by the Majority Lenders) instruct the Auditors or independent accountants (approved by the Parent or, in the absence of such approval within 5 days of request by the Agent of such approval, a firm with recognised expertise) to determine any amendments to any terms of this Agreement which the Auditors or, as the case may be, accountants (acting as experts and not arbitrators) consider appropriate to ensure the change does not result in any material alteration in the commercial effect of the terms of this Agreement. Those amendments shall take effect when so determined by the Auditors, or as the case may be, accountants. The cost and expense of the Auditors or accountants shall be for the account of the Borrower.

22.6 Other Secured Obligations

The Parent shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests) at the same time as sent to the relevant Credit Facility Creditors (other than the Finance Parties) or Pari Passu Debt Creditors (as the case may be):

- (a) any notification of (together with an invitation to each Lender to attend but not participate at) any noteholder or lender meeting, presentation, conference call or other material event announced publicly; and
- (b) any other notice, document or information provided by an Obligor to any Credit Facility Creditor (other than the Finance Parties) or to any Pari Passu Debt Creditor in connection with any Credit Facility Documents, Credit Facility Liabilities, Pari Passu Debt Documents or Pari Passu Debt Liabilities.

22.7 Year-end

The Parent shall not change its Financial Year-end or Financial Quarter-end and shall procure that each Financial Year-end of each member of the Group and each other Obligor falls on 31 December and each Financial Quarter-end of each member of the Group and each other Obligor falls on the relevant Quarter Date.

22.8 Information: miscellaneous

The Parent shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests):

- (a) promptly, details of any insurance claim or series of related insurance claims by any Obligor under any insurance policies required to be maintained under this Agreement which exceed, in aggregate, US\$50,000,000 (or its equivalent), details of material changes in the insurance cover under any insurance policies required to be maintained under this Agreement in respect of the Group and, upon request by the Agent, copies of insurance policies or certificates of insurance in respect of the Group under any insurance policies required to be maintained under this Agreement or such other evidence of the existence of those policies as may be reasonably acceptable to the Agent;
- (b) (i) a copy of each written notice which is delivered under or in connection with the Amended Land Concession to or from the Macau SAR Government or any Governmental Authority (if material to the interests of the Finance Parties) promptly upon despatch or receipt of such notice and (ii) promptly upon becoming aware of them, the details of any Permitted Land Concession Amendment, in each case, other than where such disclosure is restricted by confidentiality obligations;
- (c) at the same time as they are dispatched, copies of all documents dispatched by the Parent to its shareholders generally (or any class of them in their capacity as shareholders) or dispatched by the Parent to its creditors generally (or any class of them) (other than in the ordinary course of business);
- (d) promptly upon becoming aware of them, the details of any material litigation, arbitration or investigation by a Governmental Authority or other administrative proceedings other than any frivolous or vexatious proceedings which are current, threatened or pending against any Obligor which would involve a loss, liability, or a potential or alleged loss or liability which, if adversely determined, has or would reasonably be expected to have a Material Adverse Effect, in each case together with such other information concerning such proceedings as the Agent may reasonably require;
- (e) promptly upon becoming aware of them, the details of any Asset Sale or Compliance Sale;
- (f) a copy of any filing made by Melco Resorts with any stock exchange or regulatory authority in respect of circumstances that could give rise to a Change of Control at the same time as that filing is made, ***provided that*** such filing may be redacted or excluded to the extent such details or information are subject to any legal restrictions binding on the Parent;
- (g) promptly, such information as the Common Security Agent may reasonably require about the Charged Property and compliance of the Obligors with the terms of any Transaction Security Documents;

- (h) promptly on request, such further information regarding the financial condition, assets and operations of any Obligor or an updated Group Structure Chart as any Finance Party through the Agent may reasonably request; and
- (i) promptly and for information purpose only, a copy of (A) the project budget for the Phase II Project following its approval by an Officer of Melco Resorts; and (B) any information in respect of the Phase II Project delivered to the creditors of any Financial Indebtedness incurred under clause (b)(i)(A)(y) or clause (b)(xvii) of Section 4 (*Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock*) of Schedule 10 (*Covenants*) for the purposes of funding the Phase II Project.

22.9 Notification of default

- (a) Each Obligor shall notify the Agent of any continuing Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless that Obligor is aware that a notification has already been provided by another Obligor).
- (b) Promptly upon a request by the Agent, the Borrower shall supply to the Agent a certificate signed by two authorised signatories (one of whom is a director of the Parent) on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).
- (c) Each Obligor shall notify the Agent of the occurrence promptly upon becoming aware thereof of an event of default (however described) under or in respect of the High Yield Notes, the Additional High Yield Notes or, following any High Yield Note Refinancing or Additional High Yield Notes Refinancing, the high yield notes issued pursuant to the High Yield Note Refinancing or Additional High Yield Notes Refinancing (as the case may be) (unless that Obligor is aware that a notification has already been provided by another Obligor).
- (d) Each Obligor shall notify the Agent of the occurrence promptly upon becoming aware thereof of an event of default (however described) under or in respect of any Secured Obligations Document (other than the Finance Documents) (unless that Obligor is aware that a notification has already been provided by another Obligor).

22.10 “Know your customer” checks

- (a) If:
 - (i) any existing law or regulation or the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;
 - (ii) any change in the status of an Obligor or the composition of the shareholders of an Obligor after the date of this Agreement; or
 - (iii) a proposed assignment or transfer by a Lender of any of its rights and/or obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges the Agent or any Lender (or, in the case of paragraph (iii) above, any prospective new Lender) to comply with “know your customer” or similar identification procedures in circumstances where the necessary information is not already available to it, each Obligor shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in paragraph (iii) above, on behalf of any prospective new Lender) in order for the Agent, such Lender or, in the case of the event described in paragraph (iii) above, any prospective new Lender to carry out and be satisfied with the results of all necessary “know your customer” or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

- (b) Each Lender shall promptly upon the request of the Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself) in order for the Agent to carry out and be satisfied with the results of all necessary “know your customer” or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.
- (c) The Parent shall, by not less than 10 Business Days’ prior written notice to the Agent, notify the Agent (which shall promptly notify the Lenders) of its intention to request that one of its Subsidiaries becomes an Additional Guarantor pursuant to Clause 27 (*Changes to the Obligors*).
- (d) Following the giving of any notice pursuant to paragraph (c) above, if the accession of such Additional Guarantor obliges the Agent or any Lender to comply with “know your customer” or similar identification procedures in circumstances where the necessary information is not already available to it, the Borrower shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or on behalf of any prospective new Lender) in order for the Agent or such Lender or any prospective new Lender to carry out and be satisfied it has complied with all necessary “know your customer” or other similar checks under all applicable laws and regulations pursuant to the accession of such Subsidiary to this Agreement as an Additional Guarantor.

22.11 Unrestricted Subsidiaries

If any Subsidiaries of the Borrower have been designated as Unrestricted Subsidiaries, the information delivered under Clause 22.4 (*Financial statements*) will include reasonably detailed information as to the financial condition of the Group separate from that of the Unrestricted Subsidiaries.

23. General undertakings

The undertakings in this Clause 23 shall continue for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

23.1 Notes covenants

In addition to the undertakings set out below in this Clause 23, below, each Obligor shall (and the Parent shall ensure that each member of the Group will) comply with each of the covenants set out in Schedule 10 (*Covenants*).

23.2 Permits

Each Obligor shall promptly:

- (a) when necessary obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) upon request by the Agent supply certified copies to the Agent of,

any Permit (including any amendments, supplements or other modifications thereto) and any Authorisation required under any law or regulation of a Relevant Jurisdiction to:

- (i) enable it to perform its obligations under the Transaction Documents;
- (ii) ensure the legality, validity, enforceability or admissibility in evidence of any Transaction Document; and
- (iii) enable it to own its assets and to carry on its business (including any assets owned and business conducted or proposed to be owned or conducted in connection with the Property),

where failure to obtain or comply with those Permits or Authorisations would reasonably be expected to have a Material Adverse Effect and shall promptly deliver to the Agent:

- (A) any notice that any Governmental Authority may condition approval of, or any application for, any of those Permits or Authorisations held by it on terms and conditions that are materially burdensome to the Obligor, or to the operation of any of its businesses or any assets owned by it to the extent comprised in the Property, in each case in a manner not previously contemplated; and
- (B) such other documents and information as from time to time may reasonably be requested by the Agent in relation to any of the matters referred to in this paragraph Clause 23.2.

23.3 Compliance with laws

Each Obligor shall comply in all respects with all Legal Requirements (where failure to do so has or would be reasonably expected to have a Material Adverse Effect) and its Constitutional Documents and will comply with (and conduct its business in compliance with) all applicable anti-money laundering, anti-corruption, counter-terrorism financing, economic or trade sanctions laws and regulations in each case applicable to an Obligor (including, without limitation, each Anti-Terrorism Law), will not directly or indirectly use the proceeds of the Facilities in a manner which would breach any such laws and regulations and will maintain policies and procedures designed to promote and achieve compliance with such laws and regulations.

23.4 Environmental compliance

Each Obligor shall:

- (a) comply in all material respects with all Environmental Laws applicable to it;
- (b) obtain, maintain and ensure compliance in all material respects with all requisite Environmental Permits;
- (c) implement procedures to monitor compliance with and to prevent liability under any Environmental Law,

where failure to do so has or would reasonably be expected to have a Material Adverse Effect.

23.5 Environmental claims

Each Obligor shall (through the Parent) inform the Agent in writing as soon as reasonably practicable upon its becoming aware of:

- (a) any Environmental Claim that has commenced or been threatened against any member of the Group which is current, pending or threatened (including copies of any notices from any Governmental Authority of non compliance with any material Environmental Law or Environmental Permit to which the Property is subject and any other notices of Environmental Claims); or

- (b) any facts or circumstances which results in or would reasonably be expected to result in any Environmental Claim being commenced or threatened against any member of the Group,

in each case where such Environmental Claim has or would reasonably be expected, if determined against that member of the Group, to have a Material Adverse Effect.

23.6 Taxation

- (a) Each Obligor shall duly and punctually pay and discharge all Taxes required to be paid by it when due within the time period allowed without incurring penalties unless and only to the extent that:
 - (i) such payment is being contested in good faith;
 - (ii) adequate reserves are being maintained for those Taxes or other obligations and the costs required to contest them; and
 - (iii) such payment can be lawfully withheld and failure to pay those Taxes or other obligations does not have and would not reasonably be expected to have a Material Adverse Effect.
- (b) No Obligor may change its residence for Tax purposes.

23.7 No substantial change to the general nature of the business of the Group

The Borrower shall procure that no substantial change is made to the general nature of the business of the Group taken as a whole from that carried on as at 9 November 2016.

23.8 Holding companies

None of the Parent, the Borrower shall trade, carry on any business or own any assets or incur any liabilities except for:

- (a) (in the case of the Parent) ownership of shares in the Borrower and (in the case of the Borrower), ownership of shares in other Obligor;
- (b) intra-Group debit balances, intra-Group credit balances and other credit balances in bank accounts, Cash and Cash Equivalent Investments and Permitted Investments but only if those shares, credit balances, Cash and Cash Equivalent Investments and Permitted Investments are subject to the Transaction Security,
- (c) making of intra-Group loans not otherwise restricted by this Agreement (including pursuant to Clause 23.1 (*Notes covenants*));
- (d) the incurrence of intra-Group financial indebtedness not otherwise restricted by this Agreement (including pursuant to Clause 23.1 (*Notes covenants*));
- (e) provisions of administrative, treasury, legal, accounting and similar services to the other Obligor;
- (f) any liabilities under the Finance Documents, any other Secured Obligations Documents, the High Yield Note Documents or any Additional High Yield Note Documents (and, following any High Yield Note Refinancing or Additional High Yield Note Refinancing (as the case may be), any documents or instruments relating thereto), in each case, to which it is a party and the performance of any obligation thereunder; and/or
- (g) professional fees and administration costs in the ordinary course of business as a holding company.

23.9 Pari passu ranking

Each Obligor shall ensure that at all times any unsecured and unsubordinated claims of a Finance Party against it under the Finance Documents rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies.

23.10 Insurance

- (a) Each Obligor shall maintain in full force and effect at all times insurances and reinsurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.
- (b) All such insurances and reinsurances must be with reputable independent insurance companies or underwriters.

23.11 Access

Each Obligor shall:

- (a) keep proper books of record and account in which full, true and correct entries in conformity with GAAP and all Legal Requirements are made;
- (b) subject to prior reasonable request and notice (but notice only where a Default is continuing), procure that the Agent, the Common Security Agent, accountants or other professional advisers or contractors of the Agent or the Common Security Agent be allowed reasonable rights of inspection and access during normal business hours to the Property and any other premises or assets of any member of the Group, to the Auditors and other senior officers of any member of the Group and to the books, accounts and records, and any other documents relating to the Property or any Obligor as they may reasonably require, and so as not unreasonably to interfere with their operations or those of any counterparty to the Amended Land Concession or Gaming Concession, and to take copies of any documents inspected.

23.12 Intellectual Property

Each Obligor shall:

- (a) preserve and maintain the subsistence and validity of the Intellectual Property necessary for the business of the Obligor or Group Member for or in connection with the Property; and
- (b) in carrying on its business, not knowingly infringe any Intellectual Property of any third party, and shall prevent any infringement of the Intellectual Property required by it in connection with the Property;
- (c) make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property necessary for its business in full force and effect and record its interest in that Intellectual Property;
- (d) not use or permit the Intellectual Property necessary for or in connection with the Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may affect the existence or value of the Intellectual Property or imperil the right of any Obligor or member of the Group to use such property; and

- (e) not discontinue the use of the Intellectual Property necessary for or in connection with the Property,

where failure to do so, in the case of paragraphs (a) to (c) above, or, in the case of paragraphs (d) and (e) above, such use, permission to use, omission or discontinuation, has or would reasonably be expected to have a Material Adverse Effect.

23.13 Hedging and Treasury Transactions

No Obligor shall enter into any Treasury Transaction, other than:

- (a) interest rate and/or foreign exchange hedging arrangements entered into in the ordinary course of business and not for speculative purposes (including hedging in respect of actual or projected exposures in relation to the Facilities any other Credit Facilities (as defined in the Intercreditor Agreement) or any Pari Passu Debt Liabilities);
- (b) spot and forward delivery foreign exchange contracts entered into in the ordinary course of business and not for speculative purposes; and
- (c) any Treasury Transaction entered into for the hedging of actual or projected real exposures arising in the ordinary course of trading activities of a member of the Group for a period of not more than 12 months and not for speculative purposes.

23.14 High Yield Note Documents

The Parent shall procure that none of the High Yield Note Documents and none of the Additional High Yield Note Documents and (following any High Yield Note Refinancing or Additional High Yield Note Refinancing) none of the documents or instruments relating to (or in respect of) any high yield notes issued pursuant to the High Yield Note Refinancing or Additional High Yield Note Refinancing (as the case may be) are amended, varied, novated, assigned, supplemented, superseded, waived or (other than in accordance with their terms) terminated in any respect without the prior written consent of the Agent (acting on, in the case of any amendment, variation, novation, assignment, supplement, supersession or waiver which relates to the manner of or mechanism for the release of the High Yield Note Guarantees (or equivalent in connection with any applicable High Yield Note Refinancing or Additional High Yield Note Refinancing) (or the circumstances in which such release is permitted), the instructions of all the Lenders and otherwise on the instructions of the Majority Lenders (acting reasonably)), save for any amendment, variation, novation, assignment, supplement, supersession or waiver which does not adversely affect the Security created under the Transaction Security Documents.

23.15 [Reserved]

23.16 Accounts

- (a) No Obligor shall, or allow any other member of the Group to, deposit any amount to any Pari Passu Facility Debt Service Reserve Account or Pari Passu Notes Interest Accrual Account (each as defined in the Intercreditor Agreement) other than amounts that would be customary for an account substantially of that nature or as required by any Pari Passu Lender or Pari Passu Noteholder pursuant to any Pari Passu Debt Document (each as defined in the Intercreditor Agreement) in line with market norms for substantially similar types of accounts.
- (b) In the event that any Pari Passu Facility Debt Service Reserve Account or Pari Passu Notes Interest Accrual Account does not secure the Liabilities of the Obligors under the Finance Documents to the Finance Parties and the Secured Obligations that were secured by such account have been fully and finally discharged, the relevant Obligor in whose name the account is held shall (or the Parent shall procure that the relevant member of the Group will) as soon as reasonably practicable:

- (i) deposit the amount standing to the credit of that account into an account subject to the Transaction Security securing the Liabilities of the Obligors under the Finance Documents to the Finance Parties and close that account; or
- (ii) grant, in favour of the Common Security Agent, Security over that account in respect of the Secured Obligations, *provided* that there shall be no restrictions on the withdrawals of any amount so deposited into any account subject to Security in accordance with paragraphs (i) or (ii) above and, subject to compliance with the other terms of the Finance Documents, there shall be no restrictions on the application of any such amount.

23.17 Release Condition

- (a) In this Clause 23.17, “**Release Condition**” means (and shall be satisfied if):
 - (i) there are no Revolving Facility Loans outstanding;
 - (ii) the Revolving Facility Commitments have been cancelled in full and the Total Revolving Facility Commitments are nil; and
 - (iii) the amount standing to the credit of the Facility A Cash Collateral Account is not less than the Facility A Cash Collateral Minimum Balance.
- (b) Notwithstanding anything to the contrary in this Agreement or any other Finance Document, during the period (if any) that the Release Condition is satisfied (and only during such period):
 - (i) the representations under (and including) Clause 21.11 (*No default*) to Clause 21.24 (*Labour disputes*) and Clause 21.26 (*Acting as principal*) shall not be deemed to be made by any Obligor pursuant to paragraphs (b) and (d) of Clause 21.1 (*Time when representations are made*);
 - (ii) the following obligations and restrictions shall be suspended and shall not apply:
 - (A) the requirement to deliver financial statements as contemplated under Clause 22.4 (*Financial statements*) and the representation at paragraph (a) of Clause 21.14 (*Financial statements*) shall not be deemed to be made by any Obligor pursuant to paragraph (c) of Clause 21.1 (*Time when representations are made*);
 - (B) the requirement not to change its Finance Year-end under Clause 22.7 (*Year-end*);
 - (C) the requirement to supply information under Clause 22.8 (*Information: miscellaneous*), other than under paragraphs (f) and (g) of Clause 22.8 (*Information: miscellaneous*); and
 - (D) the requirements and restrictions under Clause 23 (*General undertakings*) other than Clause 23.3 (*Compliance with laws*) and this Clause 23.17;
 - (iii) the following Events of Default will cease to apply:
 - (A) Clause 24.8 (*Unlawfulness or invalidity of Finance Document*) to the extent it relates to any Transaction Security (other than the Facility A Cash Collateral);
 - (B) Clause 24.10 (*Permits*);

- (C) paragraph (a) of Clause 24.13 (*Repudiation or rescission of Finance Documents*) to the extent it relates to any Transaction Security (other than the Facility A Cash Collateral);
 - (D) paragraph (b) of Clause 24.13 (*Repudiation or rescission of Finance Documents*) other than with respect to the Intercreditor Agreement;
 - (E) Clause 24.14 (*Litigation*);
 - (F) Clause 24.15 (*Material adverse change*);
 - (G) Clause 24.16 (*Services and Right to Use Agreement*); and
 - (H) Clause 24.17 (*Melco Resorts Macau notification*).
- (c) If, at any time after the Release Condition has been satisfied, the Release Condition subsequently ceases to be satisfied, any breach of this Agreement or any other Finance Document that arises as a result of any of the obligations, restrictions or other terms referred to in paragraph (b) above ceasing to be suspended shall not (*provided* that it did not constitute a breach, Default or Event of Default at the time the relevant event or occurrence took place) constitute (or result in) a breach of any term of this Agreement or any other Finance Documents, a Default or an Event of Default.

24. Events of Default

Each of the events or circumstances set out in this Clause 24 (save for Clause 24.18 (*US bankruptcy of Obligors*) and Clause 24.19 (*Acceleration*)) is an Event of Default.

24.1 Non-payment

An Obligor does not pay on the due date any amount payable pursuant to a Finance Document to which it is a party at the place at and in the currency in which it is expressed to be payable unless its failure to pay is caused by administrative or technical error or a Disruption Event and payment is made within three (3) Business Days of its due date.

24.2 Breach of other undertakings

- (a) An Obligor or Grantor does not comply with any provision of the Finance Documents (other than those referred to in Clause 24.1 (*Non-payment*) above).
- (b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of remedy and is remedied within 30 days of the Agent giving notice to the Borrower, relevant Obligor or Grantor (as applicable) or the Borrower, an Obligor or a Grantor becoming aware of the failure to comply.

24.3 Misrepresentation

- (a) Any representation or statement made or deemed to be made by an Obligor or Grantor in the Finance Documents to which it is a party or any other document delivered by or on behalf of any Obligor or Grantor under or in connection with any Finance Document is or proves to have been incorrect or misleading when made or deemed to be made.
- (b) No Event of Default under paragraph (a) above will occur if the misrepresentation is capable of remedy and is remedied within 30 days of the Agent giving notice to the Borrower, relevant Obligor or Grantor (as applicable) or the Borrower, an Obligor or a Grantor becoming aware of the misrepresentation.

24.4 Cross default

- (a) Any Financial Indebtedness of any Obligor or other member of the Group is not paid when due nor within any applicable grace period.
- (b) Any Financial Indebtedness of any Obligor or other member of the Group is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described).
- (c) Any commitment for any Financial Indebtedness of any Obligor or other member of the Group is cancelled or suspended by a creditor of any Obligor or other member of the Group as a result of an event of default (however described).
- (d) Any creditor of any Obligor or other member of the Group becomes entitled to declare any Financial Indebtedness (other than Intra-Group Liabilities) of any Obligor or other member of the Group due and payable prior to its specified maturity as a result of an event of default (however described).
- (e) No Event of Default will occur under this Clause 24.4 if the aggregate amount of Financial Indebtedness or commitments for Financial Indebtedness falling within paragraphs (a) to (d) above is less than US\$15,000,000 (or its equivalent) **provided** that this paragraph (e) shall not apply in respect of any Financial Indebtedness or commitments for Financial Indebtedness under or in connection with an Additional Credit Facility Agreement.

24.5 Insolvency

- (a) A Grantor, an Obligor or other member of the Group is unable or admits inability to pay its debts as they fall due or is deemed or declared to be unable to pay its debts under applicable law or, by reason of actual or anticipated financial difficulties, suspends or threatens to suspend making payments on any of its debts or commences negotiations with one or more of its creditors generally (other than the Secured Parties (as defined in the Intercreditor Agreement) in such capacities) with a view to rescheduling any of its indebtedness.
- (b) The value of the assets of the Group (on a consolidated basis) is less than the liabilities of the Group (on a consolidated basis).
- (c) A moratorium is declared in respect of any indebtedness of any Grantor, Obligor or other member of the Group. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium.

24.6 Insolvency proceedings

- (a) Any corporate action, legal proceedings or other procedure or formal step is taken in relation to:
 - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Grantor, Obligor or other member of the Group;
 - (ii) a composition, compromise, assignment or arrangement with any creditor of any Grantor, Obligor or other member of the Group;
 - (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Grantor, Obligor or other member of the Group or any of its assets (other than assets that are in any way part of a Joint Venture and which do not form part of, and are not otherwise necessary for the operation of, the Property); or

- (iv) enforcement of any Security over any assets (other than assets that are in any way part of a Joint Venture and which do not form part of, and are not otherwise necessary for the operation of, the Property) of any Grantor, Obligor or other member of the Group,

or any analogous procedure or step is taken in any jurisdiction.

- (b) Paragraph (a) and Clause 24.18 (*US bankruptcy of Obligors*) below shall not apply to:

- (i) any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised; or
- (ii) any voluntary action, proceedings, step or procedure which relates to or constitutes any action, proceedings, step or procedure taken in connection with a transaction regulated but not prohibited by Section 13 (*Merger, Consolidation, or Sale of Assets*) of Schedule 10 (*Covenants*) pursuant to Clause 23.1 (*Notes covenants*).

24.7 Creditors' process

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Obligor or other member of the Group (other than assets that are in any way part of a Joint Venture and which do not form part of, and are not otherwise necessary for the operation of, the Property) having an aggregate value of at least US\$15,000,000 (or its equivalent) and is not discharged within (in the case of any process in a jurisdiction other than Macau SAR) 30 days and (in the case of any process in Macau SAR) 60 days.

24.8 Unlawfulness or invalidity of Finance Document

- (a) It is or becomes unlawful for a Grantor, an Obligor or any other member of the Group to perform any of its obligations under the Finance Documents or any Transaction Security created or expressed to be created or evidenced by the Transaction Security Documents ceases to be effective or any subordination created under the Intercreditor Agreement is or becomes unlawful.
- (b) Any obligation or obligations of any Grantor, any Obligor or any other member of the Group under any of the Finance Documents are not (subject to the Legal Reservations) or cease to be legal, valid, binding or enforceable.
- (c) Any Finance Document ceases to be in full force and effect or any Transaction Security or any subordination created or expressed to be created under the Intercreditor Agreement (including the subordination of any Sponsor Group Loans and any Intra-Group Liabilities) is not or ceases to be legal, valid, binding, enforceable or effective or is alleged by a party to it (other than a Finance Party) to be ineffective.

24.9 [Reserved]

24.10 Permits

- (a) Any Obligor fails to observe, satisfy or perform, or there is a violation or breach of, any of the terms, provisions, agreements, covenants or conditions attaching to or under the issuance to such person of any Permit or any such Permit or any provision thereof is suspended, revoked, cancelled, terminated or materially and adversely modified or fails to be in full force and effect or any Governmental Authority challenges or seeks to revoke any such Permit if such failure to perform, violation, breach, suspension, revocation, cancellation, termination, modification, failure to be in full force and effect, challenge or seeking revocation would reasonably be expected to have a Material Adverse Effect.

- (b) For the avoidance of doubt, paragraph (a) above does not apply in relation to any Permit required solely in respect of a Joint Venture or which is otherwise not required for, and is not otherwise necessary for the operation of, the Property.

24.11 Cessation of business

Any Obligor or other member of the Group suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business and such event has or would reasonably be expected to have a Material Adverse Effect.

24.12 Expropriation

The authority or ability of any Obligor or other member of the Group to (other than in respect of any business solely related to any Joint Venture or assets that relate to or are in any way part of any Joint Venture and which do not form part of, and are not otherwise necessary for the operation of, the Property) conduct its business or enjoy the use of all or any material part of its assets is wholly or substantially limited or curtailed by any seizure, expropriation, nationalisation, intervention, restriction or other action (including as a result of any change in (or in the interpretation, administration or application of), or the introduction of, any Legal Requirement) by or on behalf of any Governmental Authority or other person in relation to any member of the Group or any of its assets and, in the case of any such seizure, expropriation, intervention, restriction or other action which is capable of remedy, such seizure, expropriation, intervention, restriction or other action or the effects thereof, are not remedied, removed or stayed within 45 days of the occurrence of such seizure, expropriation, intervention, restriction or other action.

24.13 Repudiation or rescission of Finance Documents

- (a) A Grantor, an Obligor or other member of the Group (or any other relevant party) rescinds or purports to rescind or repudiates or purports to repudiate a Finance Document or any of the Transaction Security or evidences an intention to rescind or repudiate a Finance Document or any Transaction Security.
- (b) Any party to any of the other Transaction Documents rescinds or purports to rescind or repudiates or purports to repudiate any of those Transaction Documents in whole or in part where (other than in the case of the Amended Land Concession or Gaming Concession) to do so has or would, in the reasonable opinion of the Majority Lenders, have a Material Adverse Effect.

24.14 Litigation

Any litigation, arbitration, administrative, governmental, regulatory or other investigations or proceedings are commenced or threatened in relation to a Transaction Document or the transactions contemplated in a Transaction Document or against any Obligor or other member of the Group or its assets which has or would reasonably be expected to have a Material Adverse Effect, other than such litigation, arbitration, administrative, governmental, regulatory or other investigations or proceedings which are frivolous or vexatious (and, in the case of any such proceedings commenced in any jurisdiction other than Macau SAR, which are discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised).

24.15 Material adverse change

Any event or circumstance occurs which has or is reasonably likely to have a Material Adverse Effect.

24.16 Services and Right to Use Agreement

- (a) Melco Resorts Macau suspends performance of its obligations under each of the Services and Right to Use Agreement and the Reimbursement Agreement for more than 7 days.
- (b) The Services and Right to Use Agreement or the Reimbursement Agreement is terminated, becomes invalid or illegal or otherwise ceases to be in full force and effect prior to its stated termination.

24.17 Melco Resorts Macau notification

Melco Resorts Macau notifies any Secured Party in writing of its intention to terminate the Services and Right to Use Agreement (whether or not any such notification has any effect on the “Funding Date” definition of the Services and Right to Use Agreement).

24.18 US bankruptcy of Obligors

Notwithstanding Clause 24.19 (*Acceleration*), if any Obligor commences a voluntary case concerning itself under the US Bankruptcy Code, or an involuntary case is commenced under the US Bankruptcy Code against any Obligor and the petition is not dismissed or stayed within forty five (45) days after commencement of the case, or a custodian (as defined in the US Bankruptcy Code) is appointed for, or takes charge of, all or substantially all of the property of any Obligor, or any order of relief or other order approving any such case or proceeding is entered, the Revolving Facility shall cease to be available to such Obligor, all obligations of such Obligor under Clause 20 (*Guarantee and indemnity*) or any other provision of this Agreement or any other Finance Document to which such Obligor is a party shall become immediately due and payable and such Obligor shall be required to provide cash cover for the full amount of each letter of credit issued for its account, in each case automatically and without any further action by any Party.

24.19 Acceleration

On and at any time after the occurrence of an Event of Default which is continuing the Agent may, and shall if so directed by the Majority Lenders, by notice to the Borrower:

- (a) cancel the Total Commitments, whereupon they shall immediately be cancelled;
- (b) subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, declare that all or part of the Utilisations, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable;
- (c) subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, declare that all or part of the Utilisations be payable on demand, whereupon they shall immediately become payable on demand by the Agent on the instructions of the Majority Lenders;
- (d) notify the Intercreditor Agent that an Event of Default has occurred and continuing and instruct the Intercreditor Agent or the Common Security Agent (through the Intercreditor Agent) to issue one or more Enforcement Notices; and/or

- (e) exercise or direct the Intercreditor Agent or the Common Security Agent (through the Intercreditor Agent) to exercise any or all of its rights, remedies, powers or discretions under any of the Finance Documents and/or the High Yield Note Documents and/or (if the High Yield Note Refinancing has occurred) any document or instrument in respect of the high yield notes issued pursuant to the High Yield Note Refinancing and/or any document or instrument in respect of the high yield notes issued pursuant to the Additional High Yield Notes and/or (if the Additional High Yield Note Refinancing has occurred) pursuant to the Additional High Yield Note Refinancing (in each case, including, following the issue of an Enforcement Notice, any such rights, remedies, powers or discretions which first require the issue of such a notice).

SECTION 9
CHANGES TO PARTIES

25. Changes to the Lenders

25.1 Assignments and transfers by the Lenders

Subject to this Clause 25 and to Clause 26 (*Restriction on Debt Purchase Transactions*), a Lender (the “**Existing Lender**”) may:

- (a) assign any of its rights; or
 - (b) transfer by novation any of its rights and obligations,
- under any Finance Document to a Permitted Transferee (in each case, the “**New Lender**”).

25.2 Conditions of assignment or transfer

- (a) Any Transfer by an Existing Lender of all or any part of its Commitment must:
 - (i) subject to paragraph (b) below, not be made or entered into without the prior written consent of the Borrower (such consent not to be unreasonably withheld or delayed);
 - (ii) if the Transfer is of a commitment or participation in the Revolving Facility, the New Lender has a rating of at least BBB by Standard & Poor’s Rating Services (or an equivalent rating); and
 - (iii) in the case of a Transfer relating to the Revolving Facility, if the Transfer is only of part of (instead of all of) an Existing Lender’s participation in respect of the Revolving Facility, immediately after such the Transfer:
 - (A) the amount of that Existing Lender’s remaining Revolving Facility Commitments (when aggregated with its Affiliates’ and Related Funds’ Revolving Facility Commitments) is at least a minimum amount of HK\$40,000,000; and
 - (B) the amount of that New Lender’s Revolving Facility Commitments (when aggregated with its Affiliates’ and Related Funds’ Revolving Facility Commitments) is at least a minimum amount of HK\$40,000,000.
- (b) Notwithstanding paragraph (a)(i) above (and, for the avoidance of doubt, subject to paragraphs (a)(ii) and (iii) above), a Transfer entered into in respect of any Commitment or amount outstanding under this Agreement shall not require the prior written consent of the Borrower pursuant to paragraph (a)(i) above if:
 - (i) the Transfer is to another Lender or an Affiliate of a Lender;
 - (ii) if the Existing Lender is a fund, the Transfer is to, or the sub-participation is with, a fund which is a Related Fund of that Existing Lender;
 - (iii) an Event of Default has occurred and is continuing; or
 - (iv) the Transfer is of a Participation which is not a Voting Participation.
- (c) The Borrower shall be deemed to have provided its written consent in accordance with paragraph (a) above if it has not responded to the relevant Existing Lender’s request for such Transfer within 10 Business Days of such request having been made.

- (d) A Transfer entered into in respect of any Commitment or amount outstanding under this Agreement shall in no circumstances (including pursuant to paragraph (b) above) be made to a Conflicted Lender without the prior written consent of the Borrower (in its sole discretion). If requested to do so by a Lender, the Borrower shall as soon as reasonably practicable (but allowing a reasonable period of time for the Borrower to satisfy itself) confirm to that Lender whether or not a potential New Lender identified to the Borrower is a Conflicted Lender.
- (e) An assignment will only be effective if the procedure set out in Clause 25.6 (*Procedure for assignment*) is complied with and will only be effective on:
- (i) receipt by the Agent (whether in the Assignment Agreement and Lender Accession Undertaking or otherwise) of written confirmation from the New Lender (in form and substance satisfactory to the Agent) that the New Lender will assume the same obligations to the other Finance Parties and the other Secured Parties as it would have been under if it was an Original Lender;
 - (ii) the New Lender entering into the documentation required for it to accede as a party to the Intercreditor Agreement; and
 - (iii) performance by the Agent of all necessary “know your customer” or other similar checks under all applicable laws and regulations in relation to such assignment to a New Lender, the completion of which the Agent shall promptly notify to the Existing Lender and the New Lender.
- (f) A transfer will only be effective if the procedure set out in Clause 25.5 (*Procedure for transfer*) is complied with and the New Lender enters into the documentation required for it to accede as a party to the Intercreditor Agreement.
- (g) An Existing Lender may not assign or transfer any or all of its rights or obligations under the Finance Documents or change its Facility Office if such assignment or transfer would give rise to a requirement to prepay any Loan (or any part thereof) or cancel any Commitment (or any part thereof) pursuant to Clause 8.1 (*Illegality*) in relation to the New Lender or such Existing Lender acting through the new Facility Office.
- (h) If:
- (i) a Lender assigns or transfers any of its rights or obligations under the Finance Documents or changes its Facility Office; and
 - (ii) as a result of circumstances existing at the date the assignment, transfer or change occurs, an Obligor would be obliged to make a payment to the New Lender or Lender acting through its new Facility Office under Clause 15 (*Tax gross-up and indemnities*) or Clause 16 (*Increased Costs*),
- then the New Lender or Lender acting through its new Facility Office is only entitled to receive payment under those Clauses to the same extent as the Existing Lender or Lender acting through its previous Facility Office would have been if the assignment, transfer or change had not occurred.
- (i) A New Lender shall be bound by any consent, waiver, election or decision given or made by the relevant Existing Lender under or pursuant to any Finance Document prior to the coming into effect of the relevant assignment or transfer to such New Lender. Each New Lender, by executing the relevant Transfer Certificate or Assignment Agreement and Lender Accession Undertaking, confirms, for the avoidance of doubt, that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the transfer or assignment becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Lender would have been had it remained a Lender.

- (j) If an Existing Lender assigns or transfers any of its rights or obligations under the Finance Documents to a New Lender, (A) such Existing Lender shall (unless agreed with such New Lender) bear its own fees, costs and expenses in connection with, or resulting from, such assignment or transfer (including any legal fees, taxes, notarial and security registration or perfection fees) and (B) no Obligor or any member of the Group will be required to pay to or for the account of such New Lender, or reimburse or indemnify such New Lender for, any fees, costs, Taxes, expenses, indemnity payments, Tax Payments, Increased Costs or other payments under a Finance Document in excess of what that Obligor would have been required to pay to such Existing Lender immediately prior to such transfer or assignment being effected, *provided that*, notwithstanding the foregoing:
- (i) the Borrower shall pay such New Lender in full any amount expressed to be payable by it to such New Lender under Clause 19.4 (*Enforcement and preservation costs*); and
 - (ii) in respect of costs, fees and expenses only, the amount thereof payable or reimbursable shall be calculated by reference to the amount of such costs, fees and expenses which such Obligor is able to demonstrate it would have been required to pay to such Existing Lender immediately prior to such transfer or assignment being effected.
- (k) The Agent shall, promptly upon request from the Borrower, provide to the Borrower information in reasonable detail regarding the identities and participations of each of the Lenders.
- (l) An Existing Lender will enter into a Confidentiality Undertaking with any potential New Lender (that is not already a Lender) prior to providing such New Lender with any information about the Finance Documents or the Group. This Confidentiality Undertaking may be amended, if necessary, to ensure that it is capable of being relied upon by the Borrower without requiring its signature, and may not be materially amended without the consent of the Borrower. A copy of that Confidentiality Undertaking must be provided to the Borrower promptly after being entered into.

25.3 Assignment or transfer fee

Unless the Agent otherwise agrees and excluding an assignment or transfer (i) to an Affiliate of a Lender or (ii) to a Related Fund, the New Lender shall, on the date upon which an assignment, transfer or accession takes effect, pay to the Agent (for its own account) a fee of US\$3,500 in respect of any New Lender.

25.4 Limitation of responsibility of Existing Lenders

- (a) Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:
- (i) the legality, validity, effectiveness, adequacy or enforceability of the Transaction Documents, the Transaction Security or any other documents;
 - (ii) the financial condition or other circumstances of the Site or the Phase II Project, any Obligor or any other person;
 - (iii) the performance and observance by any Obligor or any other person of its obligations under the Transaction Documents or any other documents; or

- (iv) the accuracy of any statements (whether written or oral) made in or in connection with any Transaction Document or any other document,
and any representations or warranties implied by law are excluded.
- (b) Each New Lender confirms to the Existing Lender, the other Finance Parties and the Secured Parties that it:
 - (i) has made (and shall continue to make) its own independent investigation and assessment of the financial and other condition, circumstances and affairs of the Site and the Phase II Project, each Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender or any other Finance Party in connection with any Transaction Document or the Transaction Security; and
 - (ii) will continue to make its own independent appraisal of the creditworthiness of each Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.
- (c) Nothing in any Finance Document obliges an Existing Lender to:
 - (i) accept a re-transfer or re-assignment from a New Lender of any of the rights and obligations assigned or transferred under this Clause 25; or
 - (ii) support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by any Obligor of its obligations under the Transaction Documents or otherwise.

25.5 Procedure for transfer

- (a) Subject to the conditions set out in Clause 25.2 (*Conditions of assignment or transfer*) a transfer is effected in accordance with paragraph (c) below when the Agent executes an otherwise duly completed Transfer Certificate delivered to it by the Existing Lender and the New Lender. The Agent shall, subject to paragraph (b) below, as soon as reasonably practicable after receipt by it of a duly completed Transfer Certificate appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Transfer Certificate.
- (b) The Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New Lender once it is satisfied it has complied with all necessary “know your customer” or other similar other checks under all applicable laws and regulations in relation to the transfer to such New Lender.
- (c) On the Transfer Date:
 - (i) to the extent that in the Transfer Certificate the Existing Lender seeks to transfer by novation its rights and obligations under the Finance Documents and in respect of the Transaction Security, each of the Obligors and the Existing Lender shall be released from further obligations towards one another under the Finance Documents and in respect of the Transaction Security and their respective rights against one another under the Finance Documents and in respect of the Transaction Security shall be cancelled (being the “**Discharged Rights and Obligations**”);

- (ii) each of the Obligors and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Obligor or other member of the Group and the New Lender have assumed and/or acquired the same in place of that Obligor and the Existing Lender;
- (iii) the Agent, the Common Security Agent, the POA Agent, the New Lender and the other Lenders shall acquire the same rights and assume the same obligations between themselves and in respect of the Transaction Security as they would have acquired and assumed had the New Lender been an Original Lender with the rights, and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Agent, the Common Security Agent, the POA Agent and the Existing Lender shall each be released from further obligations to each other under the Finance Documents; and
- (iv) the New Lender shall become a Party as a “Lender”.

25.6 Procedure for assignment

- (a) Subject to the conditions set out in Clause 25.2 (*Conditions of assignment or transfer*) an assignment may be effected in accordance with paragraph (c) below when the Agent executes an otherwise duly completed Assignment Agreement and Lender Accession Undertaking delivered to it by the Existing Lender and the New Lender. The Agent shall, subject to paragraph (d) below, as soon as reasonably practicable after receipt by it of a duly completed Assignment Agreement and Lender Accession Undertaking appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Assignment Agreement and Lender Accession Undertaking.
- (b) The Agent shall only be obliged to execute an Assignment Agreement and Lender Accession Undertaking delivered to it by the Existing Lender and the New Lender upon its completion of all “know your customer” or other checks relating to any person that it is required to carry out in relation to the assignment to such New Lender.
- (c) On the Transfer Date:
 - (i) the Existing Lender will assign absolutely to the New Lender its rights under the Finance Documents and in respect of the Transaction Security expressed to be the subject of the assignment in the Assignment Agreement and Lender Accession Undertaking;
 - (ii) the Existing Lender will be released from the obligations (the “**Relevant Obligations**”) expressed to be the subject of the release in the Assignment Agreement and Lender Accession Undertaking (and any corresponding obligations by which it is bound in respect of the Transaction Security); and
 - (iii) the New Lender shall become a Party as a “Lender” and will be bound by obligations equivalent to the Relevant Obligations.
- (d) Lenders may utilise procedures other than those set out in this Clause 25.6 to assign their rights under the Finance Documents, *provided that* they comply with the conditions set out in Clause 25.2 (*Conditions of assignment or transfer*).
- (e) The procedure set out in this Clause 25.6 shall not apply to any right or obligation under any Finance Document (other than this Agreement) if and to the extent its terms, or any laws or regulations applicable thereto, provide for or require a different means of assignment of such right or release or assumption of such obligation or prohibit or restrict any assignment of such right or release or assumption of such obligation, unless such prohibition or restriction shall not be applicable to the relevant assignment, release or assumption or each condition of any applicable restriction shall have been satisfied.

25.7 Copy of assignments, transfer and accession documents to the Borrower and Parent

The Agent shall, as soon as reasonably practicable after it has executed a Transfer Certificate, an Assignment Agreement and Lender Accession Undertaking or an Increase Confirmation, send to the Borrower and the Parent a copy of that Transfer Certificate, Assignment Agreement and Lender Accession Undertaking or Increase Confirmation.

25.8 Security interests over Lenders' rights

In addition to the other rights provided to Lenders under this Clause 25, each Lender may without consulting with or obtaining consent from any Obligor, at any time charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Lender including, without limitation:

- (a) any charge, assignment or other Security to secure obligations to a federal reserve or central bank; and
- (b) in the case of any Lender which is a fund, any charge, assignment or other Security granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Lender as security for those obligations or securities,

except that no such charge, assignment or other Security shall:

- (i) release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or other Security for the Lender as a party to any of the Finance Documents; or
- (ii) require any payments to be made by an Obligor or grant to any person any more extensive rights than those required to be made or granted to the relevant Lender under the Finance Documents.

25.9 Exclusion of Agent's liability

In relation to any assignment or transfer pursuant to this Clause 25, each Party acknowledges and agrees that the Agent shall not be obliged to enquire as to the accuracy of any representation or warranty made by a New Lender in respect of its eligibility as a Lender.

26. Restriction on Debt Purchase Transactions**26.1 Prohibition on Debt Purchase Transactions by the Group**

The Parent and Borrower shall not and shall procure that each other member of the Group shall not may (i) enter into any Debt Purchase Transaction or (ii) beneficially own all or any part of the share capital of a company that is a Lender or a party to a Debt Purchase Transaction of the type referred to in paragraphs (b) or (c) of the definition of "Debt Purchase Transaction".

26.2 Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates

- (a) For so long as a Sponsor Affiliate:
 - (i) beneficially owns a Commitment; or

- (ii) has entered into a sub-participation agreement relating to a Commitment or other agreement or arrangement having a substantially similar economic effect and such agreement or arrangement has not been terminated,

in ascertaining:

- (A) the Majority Lenders; or

- (B) whether:

- (1) any given percentage (other than in relation to decisions requiring the consent of all of the Lenders) of the Total Commitments; or
 - (2) the agreement of any specified group of Lenders (other than in relation to decisions requiring the consent of all of the Lenders),

has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents,

such Commitment shall be deemed to be zero and such Sponsor Affiliate or the person with whom it has entered into such sub-participation, other agreement or arrangement shall be deemed not to be a Lender for the purposes of paragraphs (A) and (B) above (unless in the case of a person not being a Sponsor Affiliate it is a Lender by virtue otherwise than by beneficially owning the relevant Commitment), *provided that* such consent, waiver, amendment or other vote is not materially detrimental (in comparison to the other Lenders) to the rights and/or interests of that Sponsor Affiliate solely in its capacity as a Lender (and, for the avoidance of doubt, excluding its interests as a holder of equity in the Borrower (whether directly or indirectly)), and each Sponsor Affiliate upon becoming a Party expressly agrees and acknowledges that the operation of this Clause 26.2 shall not of itself be so detrimental to it in comparison to the other Lenders or otherwise; and

- (b) Each Lender shall, unless such Debt Purchase Transaction is an assignment or transfer, promptly notify the Agent in writing if it knowingly enters into a Debt Purchase Transaction with a Sponsor Affiliate (a “**Notifiable Debt Purchase Transaction**”), such notification to be substantially in the form set out in Part 1 of Schedule 8 (*Forms of Notifiable Debt Purchase Transaction Notice*). A Lender shall promptly notify the Agent if a Notifiable Debt Purchase Transaction to which it is a party:

- (i) is terminated; or

- (ii) ceases to be with a Sponsor Affiliate,

such notification to be substantially in the form set out in Part 2 of Schedule 8 (*Forms of Notifiable Debt Purchase Transaction Notice*)).

- (c) Each Sponsor Affiliate that is a Lender agrees that:

- (i) in relation to any meeting or conference call to which all the Lenders are invited to attend or participate, it shall not attend or participate in the same if so requested by the Agent or, unless the Agent otherwise agrees, be entitled to receive the agenda or any minutes of the same; and
 - (ii) in its capacity as Lender, unless the Agent otherwise agrees, it shall not be entitled to receive any report or other document prepared at the behest of, or on the instructions of, the Agent or one or more of the Lenders,

in each case, unless the Agent otherwise agrees or it relates to matters in which the Sponsor Affiliate is entitled to vote in accordance with this Clause 26.

27. Changes to the Obligors

27.1 Assignment and transfers by Obligors

No Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

27.2 Additional Guarantors

- (a) Subject to compliance with the provisions of paragraphs (c) and (d) of Clause 22.10 (*"Know your customer" checks*), the Borrower may request that any of its wholly owned Subsidiaries become an Additional Guarantor.
- (b) The Borrower shall procure that any other member of the Group shall, as soon as possible after becoming a member of the Group, become an Additional Guarantor and grant such Security as the Agent may require.
- (c) A member of the Group shall become an Additional Guarantor if:
 - (i) the Borrower and the proposed Additional Guarantor deliver to the Agent a duly completed and executed Accession Letter; and
 - (ii) the Agent has received all of the documents and other evidence listed in Schedule 2 (*Conditions precedent required to be delivered by an Additional Guarantor*) in relation to that Additional Guarantor, each in form and substance satisfactory to the Agent.
- (d) The Agent shall notify the Borrower and the Lenders promptly upon being satisfied that it has received (in form and substance satisfactory to it) all the documents and other evidence listed in Schedule 2 (*Conditions precedent required to be delivered by an Additional Guarantor*).
- (e) The Lenders authorise the Agent to give the notification described in paragraph (d) above. The Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

27.3 Repetition of representations

Delivery of an Accession Letter constitutes confirmation by the relevant Subsidiary that the representations and warranties referred to in paragraph (d) of Clause 21.1 (*Times when representations made*) are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

27.4 Resignation of a Guarantor

- (a) The Borrower may request that a Guarantor (other than the Parent or the Borrower) ceases to be a Guarantor by delivering to the Agent a Resignation Letter if:
 - (i) that Guarantor is being (or shares or equity interests in that Guarantor are being) disposed of (directly or indirectly) by way of a sale or disposal or reorganisation where such sale or disposal or reorganisation is expressly permitted under this Agreement or any other Finance Document in circumstances where that Guarantor ceases to be a member of the Group, and the Borrower has confirmed to the Agent and the Intercreditor Agent that this is the case; or
 - (ii) the Lenders have consented to the resignation of that Guarantor.

- (b) Subject to clause 25.17 (*Resignation of a Debtor*) of the Intercreditor Agreement, the Agent shall accept a Resignation Letter and notify the Borrower and the Lenders of its acceptance if:
 - (i) no Event of Default is continuing or would result from that Guarantor ceasing to be a Guarantor (and the Borrower has confirmed to the Agent and the Intercreditor Agent that this is the case); and
 - (ii) no payment is due from that Guarantor under Clause 20.1 (*Guarantee and indemnity*).
- (c) Subject to paragraph (d) below, upon notification by the agent to the Borrower and the Lender of its acceptance of the resignation of the Guarantor, that entity shall cease to be a Guarantor and shall have no further rights or obligations under the Finance Documents as a Guarantor.
- (d) The resignation of that Guarantor shall not be effective until the date of the relevant sale or disposal or reorganisation.

SECTION 10
THE FINANCE PARTIES

28. Role of the Agent and others

28.1 Appointment of the Agent

- (a) Each of the Lenders appoints the Agent to act as its agent under and in connection with the Finance Documents.
- (b) Each of the Lenders authorises the Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

28.2 Instructions

- (a) The Agent shall:
 - (i) unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Agent in accordance with any instructions given to it by all Lenders if the relevant Finance Document stipulates the matter is an all Lender decision and, otherwise, the Majority Lenders; and
 - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (i) above.
- (b) The Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if applicable, the Lenders) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Agent may refrain from acting unless and until it receives those instructions or that clarification.
- (c) Unless a contrary indication appears in a Finance Document, any instructions given to the Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties save for the Common Security Agent and the POA Agent.
- (d) The Agent may refrain from acting in accordance with any instructions of any Lender (or group of Lenders) until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability which it may incur in complying with those instructions.
- (e) In the absence of instructions, the Agent may act (or refrain from acting) as it considers to be in the best interest of the Lenders.
- (f) The Agent is not authorised to act on behalf of a Lender (without first obtaining that Lender's consent) in any legal or arbitration proceedings relating to any Finance Document. This paragraph (f) shall not apply to any legal or arbitration proceeding relating to the perfection, preservation or protection of rights under the Transaction Security Documents or enforcement of the Transaction Security or Transaction Security Documents.

28.3 Duties of the Agent

- (a) The Agent's duties under the Finance Documents are solely mechanical and administrative in nature. The Agent shall have no duties save as expressly provided under or in connection with any Finance Document.
- (b) Subject to paragraph (c) below, the Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Agent for that Party by any other Party.
- (c) Without prejudice to Clause 25.7 (*Copy of assignments, transfer and accession documents to the Borrower and Parent*), paragraph (b) above shall not apply to any Transfer Certificate, any Assignment Agreement and Lender Accession Undertaking or any Increase Confirmation.
- (d) Except where a Finance Document specifically provides otherwise, the Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
- (e) If the Agent receives notice from a Party referring to this Agreement, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties.
- (f) If the Agent is aware of the non-payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Agent, the Common Security Agent or the POA Agent) under this Agreement it shall promptly notify the other Finance Parties.
- (g) The Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).
- (h) The Agent shall provide to the Borrower promptly upon request by the Borrower (but no more frequently than once in any three month period), a list (which may be in electronic form) setting out the names of the Lenders as at the date of that request, their respective Commitments, the address and fax number (and the department or officer, if any, for whose attention any communication is to be made) of each Lender for any communication to be made or document to be delivered under or in connection with the Finance Documents, the electronic mail address and/or any other information required to enable the sending and receipt of information by electronic mail or other electronic means to and by each Lender to whom any communication under or in connection with the Finance Documents may be made by that means and the account details of each Lender for any payment to be distributed by the Agent to that Lender under the Finance Documents.

28.4 No fiduciary duties

- (a) Nothing in any Finance Document constitutes the Agent as a trustee or fiduciary of any other person.
- (b) The Agent shall not be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account.

28.5 Business with the Group

The Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with any member of the Group.

28.6 Rights and discretions

- (a) The Agent may:
 - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised and shall have no duty to verify any signature on any document;
 - (ii) assume that:
 - (A) any instructions received by it from the Majority Lenders, any Lenders or any group of Lenders are duly given in accordance with the terms of the Finance Documents; and
 - (B) unless it has received notice of revocation, that those instructions have not been revoked;
 - (iii) rely on a certificate from any person:
 - (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
 - (B) to the effect that such person approves of any particular dealing, transaction, step, action or thing, as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate; and
 - (iv) rely on any statement made or purportedly made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify.
- (b) The Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Lenders) that:
 - (i) no Default has occurred (unless it has actual knowledge of a Default arising under Clause 24 (*Events of Default*));
 - (ii) any right, power, authority or discretion vested in any Party or the Majority Lenders or any group of Lenders has not been exercised;
 - (iii) any notice or request made by the Borrower (other than a Utilisation Request or Selection Notice) is made on behalf of and with the consent and knowledge of all the Obligors; and
 - (iv) no Notifiable Debt Purchase Transaction:
 - (A) has been entered into;
 - (B) has been terminated; or
 - (C) has ceased to be with a Sponsor Affiliate.
- (c) The Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

- (d) Without prejudice to the generality of paragraph (c) above, the Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to the Agent (and so separate from any lawyers instructed by the Lenders) if the Agent in its reasonable opinion deems this to be desirable.
- (e) The Agent may act in relation to the Finance Documents through its officers, employees and agents and the Agent shall not:
 - (i) be liable for any error of judgment made by any such person; or
 - (ii) be bound to supervise, or be in any way responsible for, any loss incurred by reason of misconduct, omission or default on the part of any such person,unless such error or such loss was directly caused by the Agent's gross negligence or wilful misconduct.
- (f) Unless a Finance Document expressly provides otherwise, the Agent may disclose to any other Party any information it reasonably believes it has received as agent under this Agreement.
- (g) Without prejudice to the generality of paragraph (f) above, the Agent:
 - (i) may disclose; and
 - (ii) on the written request of the Borrower or the Majority Lenders shall, as soon as reasonably practicable, disclose, the identity of a Defaulting Lender to the Borrower and the other Finance Parties.
- (h) Notwithstanding any other provision of any Finance Document to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- (i) Notwithstanding any other provision of any Finance Document to the contrary, the Agent may not disclose to any Finance Party any details of the rate notified to the Agent by any Lender or the identity of any such Lender for the purpose of paragraph (a)(ii) of Clause 13.2 (*Market disruption*).
- (j) Notwithstanding any provision of any Finance Document to the contrary, the Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

28.7 Responsibility for documentation

The Agent is and shall not be responsible for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Agent, an Obligor or any other person given in or in connection with any Finance Document or the transactions contemplated in the Finance Documents or the transactions contemplated in the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or the Transaction Security or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Transaction Security; or

- (c) any determination as to whether any information provided or to be provided to any Finance Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

28.8 No duty to monitor

- (a) The Agent shall not be bound to enquire:
 - (i) whether or not any Default has occurred;
 - (ii) as to the performance, default or any breach by any Party of its obligations under any Finance Document; or
 - (iii) whether any other event specified in any Finance Document has occurred.

28.9 Exclusion of liability

- (a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Agent), the Agent will not be liable (including, without limitation, for negligence or any other category of liability whatsoever) for:
 - (i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Finance Document or the Transaction Security, unless directly caused by its gross negligence or wilful misconduct;
 - (ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Finance Document, the Transaction Security or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Finance Document or the Transaction Security; or
 - (iii) without prejudice to the generality of paragraphs (i) and (ii) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of:
 - (A) any act, event or circumstance not reasonably within its control; or
 - (B) the general risks of investment in, or the holding of assets in, any jurisdiction,
including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.
- (b) No Party (other than the Agent) may take any proceedings against any officer, employee or agent of the Agent in respect of any claim it might have against the Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document or any Transaction Document and any officer, employee or agent of the Agent may rely on this Clause subject to Clause 1.3 (*Third party rights*) and the provisions of the Third Parties Act.

- (c) The Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Agent if the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.
- (d) Nothing in this Agreement shall oblige the Agent to carry out (i) any “know your customer” or other checks in relation to any person or (ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Lender, on behalf of any Lender and each Lender confirms to the Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agent.
- (e) Without prejudice to any provision of any Finance Document excluding or limiting the Agent’s liability, any liability of the Agent arising under or in connection with any Finance Document or the Transaction Security shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Agent at any time which increase the amount of that loss. In no event shall the Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Agent has been advised of the possibility of such loss or damages.
- (f) The Agent and the Finance Parties are not bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

28.10 Lenders’ indemnity to the Agent

- (a) Each Lender shall (in the proportion that the Liabilities due to it bear to the aggregate of the Liabilities due to all the Lenders for the time being (or, if the Liabilities due to the Lenders are zero, immediately prior to their being reduced to zero)), indemnify the Agent, within three (3) Business Days of demand, against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Agent (otherwise than by reason of the Agent’s gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to Clause 31.11 (*Disruption to payment systems, etc.*), notwithstanding the Agent’s negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) in acting as Agent under the Finance Documents (unless the Agent has been reimbursed by an Obligor pursuant to a Finance Document).
- (b) If the Borrower is required to reimburse or indemnify any Lender for any payment that Lender makes to the Agent pursuant to paragraph (a) above in accordance with the Finance Documents, the Borrower shall, within 10 Business Days of demand in writing by the relevant Lender, indemnify such Lender for the amount of such payment actually made pursuant to paragraph (a) above.
- (c) Paragraph (b) above shall not apply to the extent that the indemnity payment in respect of which the Lender claims reimbursement relates to a liability of the Agent to an Obligor.

28.11 Resignation of the Agent

- (a) The Agent may resign and appoint one of its Affiliates acting through an office in Hong Kong SAR or Macau SAR as successor by giving notice to the Lenders and the Borrower.
- (b) Alternatively the Agent may resign by giving notice to the Lenders and the Borrower, in which case the Majority Lenders (after consultation with the Borrower) may appoint a successor Agent.
- (c) If the Majority Lenders have not appointed a successor Agent in accordance with paragraph (b) above within 30 days after notice of resignation was given, the Agent (after consultation with the Borrower) may appoint a successor Agent (acting through an office in Hong Kong SAR or Macau SAR).
- (d) If the Agent wishes to resign because (acting reasonably) it has concluded that it is no longer appropriate for it to remain as agent and the Agent is entitled to appoint a successor Agent under paragraph (c) above, the Agent may (if it concludes (acting reasonably) that it is necessary to do so in order to persuade the proposed successor Agent to become a party to this Agreement as Agent) agree with the proposed successor Agent amendments to this Clause 28 and any other term of this Agreement dealing with the rights or obligations of the Agent consistent with then current market practice for the appointment and protection of corporate trustees
- (e) The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- (f) The Agent's resignation notice shall only take effect upon the appointment of a successor in accordance with the Finance Documents (including such successor's accession to the Intercreditor Agreement in the capacity as Agent).
- (g) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (e) above) but shall remain entitled to the benefit of Clause 17.3 (*Indemnity to the Agent*) and this Clause 28 (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date). Its successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.
- (h) The Agent shall resign in accordance with paragraph (b) above (and, to the extent applicable, shall use reasonable endeavours to appoint a successor Agent pursuant to paragraph (b) above) if on or after the date which is three months before the earliest FATCA Application Date relating to any payment to the Agent under the Finance Documents, either:
 - (i) the Agent fails to respond to a request under Clause 15.8 (*FATCA Information*) and the Borrower or a Lender reasonably believes that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;
 - (ii) the information supplied by the Agent pursuant to Clause 15.8 (*FATCA Information*) indicates that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date; or

- (iii) the Agent notifies the Borrower and the Lenders that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

and (in each case) the Borrower or a Lender reasonably believes that a Party will be required to make a FATCA Deduction that would not be required if the Agent were a FATCA Exempt Party, and the Borrower or that Lender, by notice to the Agent, requires it to resign.

28.12 Replacement of the Agent

- (a) After consultation with the Borrower, the Majority Lenders may, by giving 30 days' notice to the Agent (or, at any time the Agent is an Impaired Agent, by giving any shorter notice determined by the Majority Lenders) replace the Agent by appointing a successor Agent (acting through an office in Hong Kong SAR or Macau SAR).
- (b) The retiring Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Lenders) make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
- (c) The appointment of the successor Agent shall take effect on the date specified in the notice from the Majority Lenders to the retiring Agent (or, if later, on its accession to the Intercreditor Agreement in the capacity as Agent). As from this date, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (b) above) but shall remain entitled to the benefit of Clause 17.3 (*Indemnity to the Agent*) and this Clause 28 (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date).
- (d) Any successor Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

28.13 Confidentiality

- (a) In acting as agent for the Finance Parties, the Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by another division or department of the Agent, it may be treated as confidential to that division or department and the Agent shall not be deemed to have notice of it.
- (c) Notwithstanding any other provision of any Finance Document to the contrary, the Agent shall not be obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would or might in its reasonable opinion constitute a breach of any law or a breach of a fiduciary duty.
- (d) The Agent shall not be obliged to disclose to any Finance Party any information supplied to it by the Borrower or any Affiliates of the Borrower on a confidential basis and for the purpose of evaluating whether any waiver or amendment is or may be required or desirable in relation to any Finance Document.

28.14 Relationship with the Lenders

- (a) The Agent may treat each person shown in its records as a Lender at the opening of business (in the place of the Agent's principal office as notified to the Finance Parties from time to time) as the Lender acting through its Facility Office:
 - (i) entitled to or liable for any payment due under any Finance Document on that day; and
 - (ii) entitled to receive and act upon any notice, request, document or communication or make any decision or determination under any Finance Document made or delivered on that day,unless it has received not less than five (5) Business Days prior notice from that Lender to the contrary in accordance with the terms of this Agreement.
- (b) Each Lender shall supply the Agent with any information that the Intercreditor Agent or Common Security Agent may reasonably specify (through the Agent) as being necessary or desirable to enable the Intercreditor Agent or Common Security Agent (as applicable) to perform its functions as Intercreditor Agent or Common Security Agent (as applicable). Each Lender shall deal with the Intercreditor Agent and the Common Security Agent exclusively through the Agent and shall not deal directly with the Intercreditor Agent or the Common Security Agent.
- (c) Each Lender may by notice to the Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Lender under the Finance Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under Clause 33.6 (*Electronic communication*)) electronic mail address and/or any other information required to enable the sending and receipt of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address, department and officer by that Lender for the purposes of Clause 33.2 (*Addresses*) and paragraph (a)(ii) of Clause 33.6 (*Electronic communication*) and the Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.

28.15 Credit appraisal by the Lenders

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Lender confirms to the Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

- (a) the financial condition, status and nature of each member of the Group;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document and the Transaction Security and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Transaction Security;
- (c) whether that Secured Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Finance Document, the Transaction Security or the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document or the Transaction Security;

- (d) the adequacy, accuracy and/or completeness any information provided by the Agent, the Common Security Agent, any Party or by any other person under or in connection with any Finance Document, the transactions contemplated by any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and
- (e) the right or title of any person in or to, or the value or sufficiency of any part of the Charged Property, the priority of any of the Transaction Security or the existence of any Security affecting the Charged Property.

28.16 Reference Banks

The Agent may at any time and from time to time (in consultation with the Borrower) appoint any Lender or an Affiliate of a Lender to replace any Reference Bank that is not (or which is not an Affiliate of) a Lender.

28.17 Agent's management time

- (a) Any amount payable to the Agent under Clause 17.3 (*Indemnity to the Agent*), Clause 19 (*Costs and expenses*) and Clause 28.10 (*Lenders' indemnity to the Agent*) shall include the cost of utilising the Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Agent may notify to the Borrower and the Lenders, and is in addition to any fee paid or payable to the Agent under Clause 14 (*Fees*).
- (b) Any cost of utilising the Agent's management time or other resources shall include, without limitation, any such costs in connection with Clause 26.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates*).

28.18 Deduction from amounts payable by the Agent

If any Party owes an amount to the Agent under the Finance Documents the Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Party shall be regarded as having received any amount so deducted.

28.19 Reliance and engagement letters

Each Finance Party and Secured Party confirms that the Agent has authority to accept on its behalf and ratifies the acceptance on its behalf of any letters or reports already accepted by the Agent, the terms of any reliance letter or engagement letters relating to any reports or letters provided by any advisers in connection with the Finance Documents or the transactions contemplated in the Finance Documents and to bind it in respect of those reports or letters and to sign such letters on its behalf and further confirms that it accepts the terms and qualifications set out in such letters.

28.20 Saving provision

Notwithstanding anything expressly stated in or omitted from this Agreement, all residual rights and obligations (including in respect of any contingent liabilities) under any Finance Document of any person that was a Party to this Agreement in its capacity as Bookrunner Mandated Lead Arranger, Mandated Lead Arranger, Arranger, Senior Manager or Manager and which rights were not terminated, released, relinquished or otherwise did not expire on or before the 2016 Amendment and Restatement Effective Date (whether pursuant to the transactions contemplated in connection with the 2016 Amendment and Restatement Agreement or otherwise) continue and, as may be necessary, such person may rely on this Clause 28.20 subject to Clause 1.3 (*Third party rights*) and the provisions of the Third Parties Act.

29. Conduct of business by the Finance Parties

No provision of this Agreement will:

- (a) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim;
- (c) oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax; or
- (d) oblige any Finance Party to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any applicable anti-money laundering, economic or trade sanctions laws or regulations.

30. Sharing among the Finance Parties

30.1 Payments to Finance Parties

If a Finance Party (a “**Recovering Finance Party**”) receives or recovers any amount from an Obligor other than in accordance with Clause 31 (*Payment mechanics*) and applies that amount to a payment due under the Finance Documents then:

- (a) the Recovering Finance Party shall, within three (3) Business Days, notify details of the receipt or recovery, to the Agent;
- (b) the Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Agent and distributed in accordance with Clause 31 (*Payment mechanics*), without taking account of any Tax which would be imposed on the Agent in relation to the receipt, recovery or distribution; and
- (c) the Recovering Finance Party shall, within three (3) Business Days of demand by the Agent, pay to the Agent an amount (the “**Sharing Payment**”) equal to such receipt or recovery less any amount which the Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with Clause 31.6 (*Partial payments*).

30.2 Redistribution of payments

The Agent shall treat the Sharing Payment as if it had been paid by the relevant Obligor and distribute it between the Finance Parties (other than the Recovering Finance Party) (the “**Sharing Finance Parties**”) in accordance with Clause 31.6 (*Partial payments*) towards the obligations of that Obligor to the Sharing Finance Parties.

30.3 Recovering Finance Party’s rights

- (a) On a distribution by the Agent under Clause 30.2 (*Redistribution of payments*), the Recovering Finance Party will be subrogated to the rights of the Finance Parties which have shared in the redistribution.

- (b) If and to the extent that the Recovering Finance Party is not able to rely on its rights under paragraph (a) above, the relevant Obligor shall be liable to the Recovering Finance Party for a debt equal to the Sharing Payment which is immediately due and payable.

30.4 Reversal of redistribution

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

- (a) each Finance Party which has received a share of the relevant Sharing Payment pursuant to Clause 30.2 (*Redistribution of payments*) shall, upon request of the Agent, pay to the Agent for account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay); and
- (b) that Recovering Finance Party's rights of subrogation in respect of any reimbursement shall be cancelled and the relevant Obligor will be liable to the reimbursing Finance Party for the amount so reimbursed.

30.5 Exceptions

- (a) This Clause 30 shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this Clause, have a valid and enforceable claim against the relevant Obligor.
- (b) A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:
 - (i) it notified the other Finance Party of the legal or arbitration proceedings; and
 - (ii) the other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

SECTION 11
ADMINISTRATION

31. Payment mechanics

31.1 Payments to the Agent

- (a) On each date on which an Obligor or a Lender is required to make a payment under a Finance Document that Obligor or Lender shall make the same available to the Agent (unless a contrary indication appears in a Finance Document) for value on the due date or such other date at the time and in such funds specified by the Agent as being customary at the time for settlement of transactions in the relevant currency in the place of payment.
- (b) In the case of payments to be made in Patacas, Hong Kong dollars or US dollars, payment shall be made to such account in the Macau SAR (or, if specified by way of written notice to the Parent and the Lenders by any successor to the Agent on or about the time of its becoming Agent, such other location as it shall select (acting reasonably)) with such bank as the Agent specifies.
- (c) In the case of payments to be made in any other currency, payment shall be made to such account in the principal financial centre of the country of that currency (or, if specified by way of written notice to the Parent and the Lenders by any successor to the Agent on or about the time of its becoming Agent, such other location as it shall select (acting reasonably)) with such bank as the Agent specifies.

31.2 Distributions by the Agent

- (a) Each payment received by the Agent under the Finance Documents for another Party shall, subject to Clause 31.3 (*Distributions to an Obligor*) and Clause 31.4 (*Clawback*) be made available by the Agent as soon as practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of a Lender, for the account of its Facility Office), to such account as that Party may notify to the Agent by not less than five (5) Business Days' notice with a bank specified by that Party in the principal financial centre of the country of that currency (which, in the case of Hong Kong dollars is Hong Kong SAR).
- (b) The Agent shall distribute payments received by it in relation to all or any part of a Loan to the Lender indicated in the records of the Agent as being so entitled on that date, *provided that* the Agent is authorised to distribute payments to be made on the date on which any transfer becomes effective pursuant to Clause 25 (*Changes to the Lenders*) to the Lender so entitled immediately before such transfer took place regardless of the period to which such sums relate.

31.3 Distributions to an Obligor

The Agent may (with the consent of the Obligor or in accordance with Clause 32 (*Set off*)) apply any amount received by it for that Obligor in or towards payment (on the date and in the currency and funds of receipt) of any amount due from that Obligor under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

31.4 Clawback

- (a) Where a sum is to be paid to the Agent under the Finance Documents for another Party, the Agent is not obliged to pay that sum to that other Party (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.

- (b) Unless paragraph (c) below applies, if the Agent pays an amount to another Party and it proves to be the case that the Agent had not actually received that amount, then the Party to whom that amount (or the proceeds of any related exchange contract) was paid by the Agent shall on demand refund the same to the Agent together with interest on that amount from the date of payment to the date of receipt by the Agent, calculated by the Agent to reflect its cost of funds.
- (c) If the Agent has notified the Lenders that it is willing to make available amounts for the account of the Borrower before receiving funds from the Lenders then if and to the extent that the Agent does so but it proves to be the case that it does not then receive funds from a Lender in respect of a sum which it paid to the Borrower:
 - (i) the Agent shall notify the Borrower of that Lender's identity and the Borrower shall on demand refund it to the Agent; and
 - (ii) the Lender by whom those funds should have been made available or, if that Lender fails to do so in circumstances where the Borrower had requested that the Agent make available amounts for the account of the Borrower before receiving funds from the Lenders only, the Borrower, shall on demand pay to the Agent the amount (as certified by the Agent) which will indemnify the Agent against any funding cost incurred by it as a result of paying out that sum before receiving those funds from that Lender.

31.5 Impaired Agent

- (a) If, at any time, the Agent becomes an Impaired Agent, an Obligor or a Lender which is required to make a payment under the Finance Documents to the Agent in accordance with Clause 31.1 (*Payments to the Agent*) may instead either:
 - (i) pay that amount direct to the required recipient(s); or
 - (ii) if, in its absolute discretion, it considers that it is not reasonably practicable to pay that amount direct to the required recipient(s), pay that amount or the relevant part of that amount to an interest-bearing account held with an Acceptable Bank within the meaning of paragraph (a) of the definition of "Acceptable Bank" and in relation to which no Insolvency Event has occurred and is continuing, in the name of the Obligor or the Lender making the payment (the "**Paying Party**") and designated as a trust account for the benefit of the Party or Parties beneficially entitled to that payment under the Finance Documents (the "**Recipient Party**" or "**Recipient Parties**").

In each case such payments must be made on the due date for payment under the Finance Documents.

- (b) All interest accrued on the amount standing to the credit of the trust account shall be for the benefit of the Recipient Party or Recipient Parties *pro rata* to their respective entitlements.
- (c) A Party which has made a payment in accordance with this Clause 31.5 shall be discharged of the relevant payment obligation under the Finance Documents and shall not take any credit risk with respect to the amounts standing to the credit of the trust account.
- (d) Promptly upon the appointment of a successor Agent in accordance with Clause 28.12 (*Replacement of the Agent*), each Paying Party shall (other than to the extent that that Party has given an instruction pursuant to paragraph (e) below) give all requisite instructions to the bank with whom the trust account is held to transfer the amount (together with any accrued interest) to the successor Agent for distribution to the Recipient Party or Recipient Parties in accordance with Clause 31.2 (*Distributions by the Agent*).

- (e) A Paying Party shall, promptly upon request by a Recipient Party and to the extent that:
 - (i) that it has not given an instruction pursuant to paragraph (d) above; and
 - (ii) that it has been provided with the necessary information by that Recipient Party,give all requisite instructions to the bank with whom the trust account is held to transfer the relevant amount (together with any accrued interest) to that Recipient Party.

31.6 Partial payments

- (a) If the Agent receives a payment for application against amounts due in respect of any Finance Documents that is insufficient to discharge all the amounts then due and payable by an Obligor under those Finance Documents, the Agent shall apply that payment towards the obligations of that Obligor under those Finance Documents in the following order:
 - (i) *firstly*, following the delivery of an Enforcement Notice, in payment of all costs and expenses incurred by or on behalf of the Agent, the Common Security Agent, the POA Agent or the Intercreditor Agent in connection with such enforcement or recovery and which have been certified, in writing, as having been incurred by the Agent, the Common Security Agent, the POA Agent or the Intercreditor Agent;
 - (ii) *secondly*, in or towards payment *pro rata* of any unpaid fees, costs and expenses of the Agent, the Common Security Agent, the POA Agent and the Intercreditor Agent under those Finance Documents;
 - (iii) *thirdly*, in payment *pro rata* of all amounts paid by any Secured Party under Clause 28.10 (*Lenders' indemnity to the Agent*) but which have not been reimbursed by the Borrower;
 - (iv) *fourthly*, in or towards payment *pro rata* of all accrued interest, costs, fees and expenses due and payable to the Lenders under the Finance Documents;
 - (v) *fifthly*, in or towards payment *pro rata* of:
 - (A) subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, any principal due and payable under the Term Loan Facility to the extent due and payable to the Lenders; and
 - (B) any principal due but unpaid under the Revolving Facility; and
 - (vi) *sixthly*, in or towards payment *pro rata* of any other sum due but unpaid under the Finance Documents.
- (b) Subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, the Agent shall, if so directed by the Lenders, vary the order set out in paragraphs (a)(iii) to (vi) above.
- (c) Paragraphs (a) and (b) above will override any appropriation made by an Obligor.

31.7 No set off by Obligors

All payments to be made by an Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set off or counterclaim.

31.8 Business Days

- (a) Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).
- (b) During any extension of the due date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

31.9 Currency of account

- (a) Subject to paragraphs (b) to (e) below, the Base Currency is the currency of account and payment for any sum due from an Obligor under any Finance Document.
- (b) A repayment of a Utilisation or Unpaid Sum or a part of a Utilisation or Unpaid Sum shall be made in the currency in which that Utilisation or Unpaid Sum is denominated on its due date.
- (c) Each payment of interest shall be made in the currency in which the sum in respect of which the interest is payable was denominated when that interest accrued.
- (d) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.
- (e) Any amount expressed to be payable in a currency other than the Base Currency shall be paid in that other currency.

31.10 Change of currency

- (a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:
 - (i) any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Agent (after consultation with the Borrower); and
 - (ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Agent (acting reasonably).
- (b) If a change in any currency of a country occurs, this Agreement will, to the extent the Agent (acting reasonably and after consultation with the Borrower) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Interbank Market and otherwise to reflect the change in currency.

31.11 Disruption to payment systems, etc.

If the Agent determines (in its discretion) that a Disruption Event has occurred or the Agent is notified by the Borrower that a Disruption Event has occurred:

- (a) the Agent may, and shall if requested to do so by the Borrower, consult with the Borrower with a view to agreeing with the Borrower such changes to the operation or administration of the Facilities as the Agent may deem necessary in the circumstances;

- (b) the Agent shall not be obliged to consult with the Borrower in relation to any changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;
- (c) the Agent may consult with the Finance Parties in relation to any changes mentioned in paragraph (a) above but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;
- (d) any such changes agreed upon by the Agent and the Borrower shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Parties as an amendment to (or, as the case may be, waiver of) the terms of the Finance Documents notwithstanding the provisions of Clause 37 (*Amendments and waivers*);
- (e) the Agent shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever (including, without limitation for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 31.11; and
- (f) the Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

31.12 Amounts paid in error

- (a) If the Agent pays an amount to another Finance Party and within five (5) Business Days of the date of payment the Agent notifies that Finance Party that such payment was an Erroneous Payment then the Finance Party to whom that amount was paid by the Agent shall on demand refund the same to the Agent together with interest on that amount from the date of payment to the date of receipt by the Agent, calculated by the Agent to reflect its cost of funds.
- (b) Neither:
 - (i) the obligations of any Finance Party to the Agent; nor
 - (ii) the remedies of the Agent,(whether arising under this Clause 31.12 or otherwise) which relate to an Erroneous Payment will be affected by any act, omission, matter or thing which, but for this paragraph (b), would reduce, release or prejudice any such obligation or remedy (whether or not known by the Agent or any other Finance Party).
- (c) All payments to be made by a Finance Party to the Agent (whether made pursuant to this Clause 31.12 or otherwise) which relate to an Erroneous Payment shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.
- (d) In this Agreement, “**Erroneous Payment**” means a payment of an amount by the Agent to another Finance Party which the Agent determines (in its sole discretion) was made in error.

32. Set off

Subject to the terms of Clause 30 (*Sharing among the Finance Parties*), a Finance Party may set off any matured obligation due from an Obligor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set off.

33. Notices

33.1 Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

33.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:

- (a) in the case of the Borrower and each other Obligor that is a Party as at the date of the 2024 Amendment and Restatement Agreement:

Address: Studio City Investments Limited, Ocorian Corporate Services (BVI) Limited, Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands
Attention: Company Secretary
Fax: +1 284 494 7279

With a copy to:

Address: Melco Resorts & Entertainment Limited, 38/F, The Centrium, 60 Wyndham Street, Central, Hong Kong SAR
Attention: Mr. Graham Winter, Executive Vice President and Chief Legal Officer
Fax: +852 2537 3618
Telephone: +852 2598 3600

- (b) in the case of the Original Lender and the Agent:

Address: 17/F, Bank of China Building, Avenida Doutor Mario Soares, Macau
Attention: Ms Jennie Chan / Ms Yan Chan / Ms Nora Pang / Ms Alana Lei / Ms Viki Tong / Ms Christine Chong
Facsimile: (853) 8792 1659
Email: chan_unteng_mac@bank-of-china.com / chan_unteng_mac@bankofchina.com / chan_chiian_mac@bank-of-china.com /
chan_chiian_mac@bankofchina.com / pang_kaian_mac@bank-of-china.com / pang_kaian_mac@bankofchina.com /
wong_man_mac@bankofchina.com / wong_man_mac@bank-of-china.com / chong_hongin_mac@bankofchina.com /
chong_hongin_mac@bank-of-china.com / tong_huangmei_mac@bank-of-china.com / tong_huangmei_mac@bankofchina.com /
lei_lan_mac@bankofchina.com / lei_lan_mac@bank-of-china.com

- (c) in the case of the Common Security Agent and the POA Agent:

Address: 18/F, ICBC Tower, Macau Landmark, 555 Avenida da Amizade, Macau
Attention: Nicolas U / Kevin Kuok / Nick Wu / Liam Iong
Telephone: +853 8398 2655 / 8398 2723 / 8398 2296 / 8398 2542
Facsimile: +853 8398 2160 / 2858 4496
Email: nicolasu@mc.icbc.com.cn / kevinkuok@mc.icbc.com.cn / nickwu@mc.icbc.com.cn / liamiong@mc.icbc.com /
cmdsyt@mc.icbc.com.cn / lindachan@mc.icbc.com.cn / lillianhong@mc.icbc.com.cn / seleneren@mc.icbc.com.cn /
IceChen@mc.icbc.com.cn / leilatou@mc.icbc.com.cn

- (d) in the case of each other Lender and each other Obligor, that notified in writing to the Agent on or prior to the date on which it becomes a Party,

or any substitute address, fax number or department or officer as the Party may notify to the Agent (or the Agent may notify to the other Parties, if a change is made by the Agent) by not less than 10 Business Days' notice.

33.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:
 - (i) if by way of fax, when received in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,and, if a particular department or officer is specified as part of its address details provided under Clause 33.2 (*Addresses*), if addressed to that department or officer.
- (b) Any communication or document to be made or delivered to the Agent, the POA Agent or the Common Security Agent will be effective only when actually received by the Agent, the POA Agent or Common Security Agent (as applicable) and then only if it is expressly marked for the attention of the department or officer identified in Clause 33.2 (*Addresses*) (or any substitute department or officer as the Agent, the POA Agent or Common Security Agent (as applicable) shall specify for this purpose).
- (c) All notices from or to an Obligor shall be sent through the Agent.
- (d) Any communication or document made or delivered to the Borrower in accordance with this Clause 33.3 will be deemed to have been made or delivered to each of the Obligors.

33.4 Notification of address and fax number

Promptly upon changing its own address or fax number, the Agent shall notify the other Parties.

33.5 Communication when Agent is Impaired Agent

If the Agent is an Impaired Agent the Parties may, instead of communicating with each other through the Agent, communicate with each other directly and (while the Agent is an Impaired Agent) all the provisions of the Finance Documents which require communications to be made or notices to be given to or by the Agent shall be varied so that communications may be made and notices given to or by the relevant Parties directly. This provision shall not operate after a replacement Agent has been appointed.

33.6 Electronic communication

- (a) Any communication to be made between the Agent, the POA Agent or the Common Security Agent and a Lender under or in connection with the Finance Documents may be made by electronic mail or other electronic means, if the Agent, the POA Agent, the Common Security Agent (as applicable) and the relevant Lender:
 - (i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;

- (ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - (iii) notify each other of any change to their address or any other such information supplied by them.
- (b) Any electronic communication made between the Agent and a Lender, the POA Agent or the Common Security Agent will be effective only when actually received in readable form and in the case of any electronic communication made by a Lender to the Agent, the POA Agent or the Common Security Agent only if it is addressed in such a manner as the Agent, the POA Agent or Common Security Agent (as applicable) shall specify for this purpose.
- (c) Notwithstanding the foregoing, each Party hereto agrees that the Agent may make information, documents and other materials that any Obligor is obligated to furnish to the Agent pursuant to the Finance Documents (together, “**Communications**”) available to any Finance Party by posting the Communications on IntraLinks or another relevant website, if any, to which such Finance Party has access (whether a commercial, third-party website or whether sponsored by the Agent) (the “**Platform**”). Nothing in this Clause 33.6 shall prejudice the right of the Agent to make the Communications available to any Finance Party in any other manner specified in this Agreement or any other Finance Documents.
- (d) Each Finance Party agrees that e-mail notice to it (at the address provided pursuant to the next sentence and deemed delivered as provided in the next paragraph) specifying that Communications have been posted to the Platform shall constitute effective delivery of such Communications to such Finance Party for purposes of this Agreement and the other Finance Documents. Each Finance Party agrees:
 - (i) to notify the Agent in writing (including by electronic communication) from time to time to ensure that the Agent has on record an effective e-mail address for such Finance Party to which the foregoing notice may be sent by electronic transmission; and
 - (ii) that the foregoing notice may be sent to such e-mail address.
- (e) Notwithstanding paragraph (f) below, each Party hereto agrees that any electronic communication referred to in this Clause 33.6 shall be deemed delivered upon the posting of a record of such communication (properly addressed to such party at the e-mail address provided to the Agent) as “sent” in the e-mail system of the sending party or, in the case of any such communication to the Agent, upon the posting of a record of such communication as “received” in the e-mail system of the Agent; *provided that* if such communication is not so received by a Finance Party in the place of receipt on a Business day or is not so received by a Finance Party on before 5.00 pm in the place of receipt on a Business Day, such communication shall be deemed delivered at the opening of business on the next Business Day for that Finance Party.
- (f) Each Party hereto acknowledges that:
 - (i) the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution;
 - (ii) the Communications and the Platform are provided “as is” and “as available”;
 - (iii) none of the Agent, its affiliates nor any of their respective officers, directors, employees, agents, advisors or representatives (collectively, the “**Agency Parties**”) warrants the adequacy, accuracy or completeness of the Communications or the Platform, and each Agency Party expressly disclaims liability for errors or omissions in any Communications or the Platform; and

- (iv) no representation or warranty of any kind, express, implied or statutory, including any representation or warranty of merchantability, fitness for a particular purpose, non-infringement of third party rights or freedom from viruses or other code defects, is made by any Agency Party in connection with any Communications or the Platform.
- (g) Each Obligor hereby acknowledges that from time to time certain of the Lenders may be “public-side” Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to MPEL, any of its Subsidiaries or their respective securities) (each, a “**Public Lender**”). Each Obligor hereby agrees that:
 - (i) Communications that are to be made available on the Platform to Public Lenders shall be clearly and conspicuously marked “PUBLIC” which, at a minimum, shall mean that the word “PUBLIC” shall appear prominently on the first page thereof;
 - (ii) by marking Communications “PUBLIC,” each Obligor shall be deemed to have authorised the Finance Parties to treat such Communications as either publicly available information or not-material information (although it may be sensitive and proprietary) with respect to MPEL, any of its Subsidiaries or their respective securities for purposes of US federal and state securities laws;
 - (iii) all Communications marked “PUBLIC” are permitted to be made available through a portion of the Platform designated “Public Lender”; and
 - (iv) the Agent shall be entitled to treat any Communications that are not marked “PUBLIC” as being suitable only for posting on a portion of the Platform not designated “Public Lender”.

33.7 English language

- (a) Any notice given under or in connection with any Finance Document must be in English.
- (b) All other documents provided under or in connection with any Finance Document must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document or is required by law to be in one of the Macau SAR official languages (Chinese or Portuguese) and/or is to be filed with any Macau SAR Governmental Authority, in which case a Chinese or Portuguese version (as applicable) shall prevail.

33A. Bail-In

33A.1 Contractual Recognition of Bail-In

Notwithstanding any other term of any Finance Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with the Finance Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

- (a) any Bail-In Action in relation to any such liability, including (without limitation):
 - (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
 - (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
 - (iii) a cancellation of any such liability; and
- (b) a variation of any term of any Finance Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

33A.2 Bail-In Definitions

In this Clause 33A:

“**Article 55 BRRD**” means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

“**Bail-In Action**” means the exercise of any Write-down and Conversion Powers.

“**Bail-In Legislation**” means:

- (a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time;
- (b) in relation to the United Kingdom, the UK Bail-In Legislation; and
- (c) in relation to any state other than such an EEA Member Country and the United Kingdom, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation.

“**EEA Member Country**” means any member state of the European Union, Iceland, Liechtenstein and Norway.

“**EU Bail-In Legislation Schedule**” means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

“**Resolution Authority**” means any body which has authority to exercise any Write-down and Conversion Powers.

“**UK Bail-In Legislation**” means Part I of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

“**Write-down and Conversion Powers**” means:

- (a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule;

- (b) in relation to the UK Bail-In Legislation, any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers; and
- (c) in relation to any other applicable Bail-In Legislation:
 - (i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and
 - (ii) any similar or analogous powers under that Bail-In Legislation.

34. Calculations and certificates

34.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Finance Party are *prima facie* evidence of the matters to which they relate.

34.2 Certificates and determinations

Any certification or determination by a Finance Party of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

34.3 Day count convention

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days (where due in an Optional Currency other than the Base Currency) and 365 days (where due in the Base Currency).

34.4 Personal liability

No director, officer, employee or other individual acting (or purporting to act) on behalf of the Parent, any member of the Group (or any Affiliate of a member of the Group) shall be personally liable for:

- (a) any representation, certification or statement made or deemed to be made by him or her, the Parent or any other member of the Group in any Finance Document; or

- (b) any certificate, notice or other document required to be delivered under, or in connection with, any Finance Document, whether or not signed by that director, officer, employee or other individual,

where such representation, certification, statement, certificate, notice or other document proves to be incorrect or misleading, unless that individual acted fraudulently, recklessly or with an intention to mislead, in which case any liability will be determined in accordance with applicable law. Any director, officer, employee or other individual to whom this Clause 34.4 is expressed to apply may rely on this Clause 34.4, subject to Clause 1.3 (*Third party rights*) and the provisions of the Third Parties Act.

35. Partial invalidity

If, at any time, any provision of a Finance Document is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

36. Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Finance Party or Secured Party, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any Finance Document. No election to affirm any Finance Document on the part of any Finance Party or Secured Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law.

37. Amendments and waivers

37.1 Intercreditor Agreement

This Clause 37 is subject to the terms of the Intercreditor Agreement.

37.2 Required consents

- (a) Subject to Clause 37.3 (*Exceptions*), Clause 37.3A (*Replacement of Screen Rate*) and paragraphs (b) and (d) below, any term of the Finance Documents (other than the Mandate Documents and the Fee Letters) may be amended or waived only with the consent of the Majority Lenders and the Parent and any such amendment or waiver will be binding on all Parties.
- (b) The Agent may effect, on behalf of any Finance Party:
 - (i) any amendment or waiver or enter into any document or do any other act or thing permitted by this Clause 37 and any other provision of the Finance Documents; and
 - (ii) pursuant to paragraph (a) of Clause 28.2 (*Instructions*), any amendment or waiver of, or in respect of, such matters as it determines to be of a minor technical or administrative nature or of a non-credit related nature or to correct a manifest error.
- (c) Without prejudice to the generality of paragraphs (c) and (d) of Clause 28.6 (*Rights and discretions*), the Agent may engage, pay for and rely on the services of lawyers in determining the consent level required for and effecting any amendment, waiver of consent under the Finance Documents.

- (d) Each Obligor agrees to any such amendment or waiver permitted by this Clause 37 which is agreed to by the Parent, including any amendment or waiver which would, but for this paragraph (d), require the consent of all of the Guarantors.

37.3 Exceptions

- (a) Subject to Clause 37.3A (*Replacement of Screen Rate*), an amendment, consent or waiver that has the effect of changing or which relates to:
- (i) the definition of “Change of Control”, “Concession Expiry”, “Land Concession Termination” or “Majority Lenders” in Clause 1.1 (*Definitions*), Clause 9.1 (*Definitions*) and Schedule 11 (*Definitions*);
 - (ii) an extension to the date of payment of any amount under the Finance Documents;
 - (iii) a reduction in the Margin or a reduction in the amount of any payment of principal, interest, fees or commission payable;
 - (iv) a change in currency of payment of any amount under the Finance Documents;
 - (v) an increase in or an extension of any Commitment or the Total Commitments (other than pursuant to Clause 2.2 (*Increase*));
 - (vi) a change to the Borrower;
 - (vii) a change to the Guarantors, other than in accordance with Clause 27 (*Changes to the Obligors*);
 - (viii) any provision which expressly requires the consent of all the Lenders;
 - (ix) Clause 2.3 (*Finance Parties’ rights and obligations*), Clause 8.1 (*Illegality*), Clause 9 (*Mandatory prepayment*) (save for an amendment, waiver or other exercise of any right, power or discretion in respect of Clause 10 (*Restrictions*)), Clause 25 (*Changes to the Lenders*), Clause 30 (*Sharing among the Finance Parties*), Clause 31.6 (*Partial payments*) or this Clause 37;
 - (x) the nature or scope of the guarantee and indemnity granted under Clause 20 (*Guarantee and indemnity*) or the guarantee and indemnity granted under any other Finance Document;
 - (xi) the nature or scope of the Charged Property or the manner in which the proceeds of enforcement of the Transaction Security are distributed (except in each case insofar as it relates to a sale or disposal of an asset which is the subject of the Transaction Security where such sale or disposal is expressly permitted under this Agreement or any other Finance Document);
 - (xii) the release of any guarantee and indemnity granted under Clause 20 (*Guarantee and indemnity*) or any other Finance Document or of any Transaction Security unless permitted under this Agreement or any other Finance Document or relating to a sale or disposal or reorganisation of an asset which is the subject of the Transaction Security where such sale or disposal or reorganisation is expressly permitted under this Agreement or any other Finance Document;
 - (xiii) any requirement that a cancellation of Commitments (in respect of any Facility) reduces the Commitments of the Lenders (in respect of such Facility) rateably;

- (xiv) a change to the governing law or jurisdiction provisions of any Finance Document;
- (xv) any amendment to the order of priority or subordination under the Intercreditor Agreement or the manner in which the proceeds of enforcement of the Transaction Security are to be distributed; or
- (xvi) any amendment to Clause 23.14 (*High Yield Document*) or clause 15.14 (*High Yield Note Guarantees*) of the Intercreditor Agreement,

shall not be made without the prior consent of all the Lenders.

- (b) The Transaction Security Documents may be amended, varied, waived or modified with the agreement of the relevant Obligor or Grantor and the Common Security Agent (acting in accordance with the Intercreditor Agreement).
- (c) An amendment or waiver which relates to the rights or obligations of the Agent, the POA Agent, any Ancillary Lender or the Common Security Agent may not be effected without the consent of the Agent, the POA Agent, that Ancillary Lender or the Common Security Agent (as applicable).
- (d) Any amendment or waiver which:
 - (i) relates only to the rights or obligations applicable to a particular class of Lender(s) or group of Lenders; and
 - (ii) would not reasonably be expected to materially and adversely affect the rights or interests of Lenders in respect of another class or group of Lender(s),

may be made in accordance with this Clause 37 but as if references in this Clause 37 to the specified proportion of Lenders (including, for the avoidance of doubt, all the Lenders) whose consent would, but for this paragraph (d), be required for that amendment or waiver were to that proportion of the Lenders participating in forming part of that particular class.

- (e) An amendment, consent or waiver which relates to a prepayment to a Lender which is required under Clause 8.1 (*Illegality*) or paragraph (a) of Clause 9.2 (*Change of Control, Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event*) shall only require the consent of the Borrower and the Lender to which that amount has become payable under such provision.

37.3A Replacement of Screen Rate

- (a) Subject to paragraph (c) of Clause 37.3 (*Exceptions*), if a Screen Rate Replacement Event has occurred in relation to any Screen Rate for a currency which can be selected for a Loan, any amendment or waiver which relates to:
 - (i) providing for the use of a Replacement Benchmark in relation to that currency in place of that Screen Rate; and
 - (ii) (A) aligning any provision of any Finance Document to the use of that Replacement Benchmark;
(B) enabling that Replacement Benchmark to be used for the calculation of interest under this Agreement (including, without limitation, any consequential changes required to enable that Replacement Benchmark to be used for the purposes of this Agreement);

- (C) implementing market conventions applicable to that Replacement Benchmark;
- (D) providing for appropriate fallback (and market disruption) provisions for that Replacement Benchmark; or
- (E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Benchmark (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),

may be made with the consent of the Agent (acting on the instructions of the Majority Lenders) and the Borrower.

- (b) If any Lender fails to respond to a request for an amendment or waiver described in, or for any other vote of Lenders in relation to, paragraph (a) above within ten Business Days (or such longer time period in relation to any request which the Company and the Agent may agree) of that request being made:
 - (i) its Commitment shall not be included for the purpose of calculating the Total Commitments when ascertaining whether any relevant percentage of Total Commitments has been obtained to approve that request; and
 - (ii) its status as a Lender shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve that request.
- (c) In this Clause 37.3A:

“Relevant Nominating Body” means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.

“Replacement Benchmark” means a benchmark rate which is:

- (a) formally designated, nominated or recommended as the replacement for a Screen Rate by:
 - (i) the administrator of that Screen Rate (*provided* that the market or economic reality that such benchmark rate measures is the same as that measured by that Screen Rate); or
 - (ii) any Relevant Nominating Body,and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the “Replacement Benchmark” will be the replacement under paragraph (ii) above;
- (b) in the opinion of the Majority Lenders and the Borrower, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to a Screen Rate; or
- (c) in the opinion of the Majority Lenders and the Borrower, an appropriate successor to a Screen Rate.

“Screen Rate Replacement Event” means, in relation to a Screen Rate:

- (a) the methodology, formula or other means of determining that Screen Rate has, in the opinion of the Majority Lenders and the Obligors, materially changed;
- (b)
 - (i)
 - (A) the administrator of that Screen Rate or its supervisor publicly announces that such administrator is insolvent; or
 - (B) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of that Screen Rate is insolvent,

provided that, in each case, at that time, there is no successor administrator to continue to provide that Screen Rate;
 - (ii) the administrator of that Screen Rate publicly announces that it has ceased or will cease to provide that Screen Rate permanently or indefinitely and, at that time, there is no successor administrator to continue to provide that Screen Rate;
 - (iii) the supervisor of the administrator of that Screen Rate publicly announces that such Screen Rate has been or will be permanently or indefinitely discontinued;
 - (iv) the administrator of that Screen Rate or its supervisor announces that that Screen Rate may no longer be used; or
- (v) in the case of a Screen Rate that is a Benchmark Rate, the supervisor of the administrator of that Screen Rate makes a public announcement or publishes information:
 - (A) stating that that Screen Rate is no longer or, as of a specified future date will no longer be, representative of the underlying market or economic reality that it is intended to measure and that representativeness will not be restored (as determined by such supervisor); and
 - (B) with awareness that any such announcement or publication will engage certain triggers for fallback provisions in contracts which may be activated by any such pre-cessation announcement or publication;
- (c) the administrator of that Screen Rate determines that that Screen Rate should be calculated in accordance with its reduced submissions or other contingency or fallback policies or arrangements and either:
 - (i) the circumstance(s) or event(s) leading to such determination are not (in the opinion of the Majority Lenders and the Obligors) temporary; or
 - (ii) that Screen Rate is calculated in accordance with any such policy or arrangement for a period no less than 30 days; or
- (d) in the opinion of the Majority Lenders and the Obligors, that Screen Rate is otherwise no longer appropriate for the purposes of calculating interest under this Agreement.

37.4 Disenfranchisement of Conflicted Lenders, Defaulting Lenders and Non-Responding Lenders

- (a) In ascertaining the Majority Lenders or whether any given percentage (including, for the avoidance of doubt, unanimity) of the Total Commitments or Total Revolving Facility Commitments and/or participations in the Facility A Loan has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents, the Commitments and participations of any Conflicted Lender, any Defaulting Lender or any Non-Responding Lender will be deemed to be zero and its status as a Lender ignored.
- (b) For the purposes of this Clause 37.4, the Agent may assume that the following Lenders are Conflicted Lenders or Defaulting Lenders (as applicable):
 - (i) any Lender which has notified the Agent that it has become a Conflicted Lender or Defaulting Lender;
 - (ii) any Lender in relation to which it is aware that any of the events or circumstances referred to in paragraphs (a), (b) or (c) of the definition of “Defaulting Lender”,

unless it has received notice to the contrary from the Lender concerned (together with any supporting evidence reasonably requested by the Agent) or the Agent is otherwise aware that the Lender has ceased to be a Conflicted Lender or a Defaulting Lender.

37.5 Replaceable Lenders

Subject to clause 3.2 (*Rolled Loan – restrictions*) of the Intercreditor Agreement, if at any time a Lender has become and continues to be a Replaceable Lender, the Borrower may by giving 10 Business Days’ prior written notice to the Agent and such Lender:

- (a) replace such Lender by requiring such Lender to (and, to the extent permitted by law, such Lender shall) transfer pursuant to Clause 25 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank, financial institution, trust, fund or other entity (other than a member of the Group) (a “**Replacement Lender**”) selected by the Borrower which confirms its willingness to assume and does assume all the obligations or all the relevant obligations of the transferring Lender in accordance with Clause 25 (*Changes to the Lenders*) (including the assumption of the transferring Lender’s participations or unfunded participations (as the case may be) on the same basis as the transferring Lender) for a purchase price in cash payable at the time of transfer in an amount equal to the outstanding principal amount of such Lender’s participation in the outstanding Utilisations and all accrued interest and Break Costs and other amounts payable in relation thereto under the Finance Documents (without other premium or penalty); or
- (b) (in the case of any Replaceable Lender other than an Illegal Lender) give the Agent notice of the cancellation of the Commitment(s) of that Replaceable Lender and its intention to procure the prepayment of that Replaceable Lender’s participation in the Revolving Facility Loan(s) (a “**Cancellation Notice**”) subject to the payment of any fees, costs, expenses then due and payable under the Finance Documents to that Replaceable Lender, provided that such Cancellation Notice is not delivered to the Agent later than 60 days after the date on which the Borrower first became aware that such Lender become a Replaceable Lender.

37.6 Conditions of replacement of a Replaceable Lender

- (a) Any transfer of rights and obligations of a Replaceable Lender pursuant to paragraph (a) of Clause 37.5 (*Replaceable Lenders*) shall be subject to the following conditions:
 - (i) the Borrower shall have no right to replace the Agent, Common Security Agent or the POA Agent;
 - (ii) neither the Agent nor the Replaceable Lender shall have any obligation to the Borrower to find a Replacement Lender;
 - (iii) the transfer must take place no later than 60 days after the date on which the Borrower first became aware that such Lender become a Replaceable Lender;
 - (iv) in no event shall the Replaceable Lender be required to pay or surrender to the Replacement Lender any of the fees received by such Replaceable Lender pursuant to the Finance Documents;
 - (v) the Replaceable Lender shall only be obliged to transfer its rights and obligations pursuant to paragraph (a) of Clause 37.5 (*Replaceable Lenders*) once it is satisfied that it has complied with all necessary “know your customer” or other similar checks under all applicable laws and regulations in relation to that transfer to the Replacement Lender.
- (b) The Replaceable Lender shall perform the checks described in paragraph (a)(v) above as soon as reasonably practicable following delivery of a notice referred to in paragraph (a) of Clause 37.5 (*Replaceable Lenders*) and shall notify the Agent and the Borrower when it is satisfied that it has complied with those checks.

37.7 Cancellation and repayment of a Replaceable Lender (other than an Illegal Lender)

In the case where the Borrower gives a Cancellation Notice in respect of a Replacement Lender pursuant to paragraph (b) of Clause 37.5 (*Replaceable Lenders*):

- (a) upon such Cancellation Notice becoming effective (as specified in such Cancellation Notice), the Commitment of that Replaceable Lender in respect of each Facility shall immediately be reduced to zero, *provided that* the Total Commitments may (at the Borrower’s option) be simultaneously with or subsequent to that cancellation be increased in accordance with Clause 2.2 (*Increase*); and
- (b) to the extent that such Replaceable Lender’s participation in a Utilisation has not been transferred pursuant to paragraph (a) of Clause 37.5 (*Replaceable Lenders*), the Borrower shall, on the last day of the first Interest Period (relating to such Revolving Facility Loan(s)) which ends after the Borrower delivered such Cancellation Notice (or, if earlier, the date specified by the Borrower in that Cancellation Notice) repay that Replaceable Lender’s participation in such Revolving Facility Loan(s) together with all interest thereon and other amounts accrued under the Finance Documents in relation thereto (together with Break Costs and other amounts payable),

provided that any such repayment may only be funded with amounts that could, at the time of such repayment (and on a *pro forma* basis as if such payment were a Restricted Payment), be paid as a Restricted Payment in accordance with Section 2 (*Limitation on Restricted Payments*) of Schedule 10 (*Covenants*) pursuant to Clause 23.1 (*Notes covenants*).

38. Disclosure of information

38.1 Confidential Information

Each Finance Party agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Clause 38.2 (*Disclosure of Confidential Information*), and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information.

38.2 Disclosure of Confidential Information

Any Finance Party may disclose:

- (a) to any of its Affiliates, head office and any other branch and Related Funds and any of its or their officers, directors, employees, professional advisers, delegates, agents, managers, administrators, nominees, attorneys, trustees, custodians and (unless it relates to any Services and Right to Use Agreement Confidential Information) auditors such Confidential Information as that Finance Party shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph (a) is informed in writing of (x) its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information and (y) in the case of any Services and Right to Use Agreement Confidential Information, that the Group is subject to a duty of confidentiality to the government and/or the relevant public regulatory authorities of the Macau SAR;
- (b) to any person:
 - (i) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents or succeeds (or which may potentially succeed) it as Agent or Common Security Agent or POA Agent, and in each case, to any of that person's Affiliates, head office and any other branch, Related Funds, delegate, agent, manager, administrator, nominee, attorney, trustee, custodians and professional advisers;
 - (ii) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Finance Documents and/or one or more Obligors and to any of that person's Affiliates, Related Funds, representatives and professional advisers;
 - (iii) appointed by any Finance Party or by a person to whom sub paragraph (i) or (ii) above applies to receive communications, notices, information or documents delivered pursuant to the Finance Documents on its behalf (including, without limitation, any person appointed under paragraph (c) of Clause 28.14 (*Relationship with the Lenders*));
 - (iv) who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in paragraph (i) or (ii) above;
 - (v) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;

- (vi) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;
- (vii) to whom or for whose benefit that Finance Party charges, assigns or otherwise creates Security (or may do so) pursuant to Clause 25.8 (*Security interests over Lenders' rights*);
- (viii) who is a Party; or
- (ix) with the prior written consent of the Borrower,

in each case, such Confidential Information as that Finance Party shall consider appropriate if:

- (A) in relation to paragraphs (b)(i), (ii) and (iii) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking except that there shall be no requirement for a Confidentiality Undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;
 - (B) in relation to paragraph (b)(iv) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price-sensitive information;
 - (C) in relation to paragraphs (b)(v), (vi) and (vii) above, the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of that Finance Party, it is not practicable so to do in the circumstances;
- (c) to any person appointed by that Finance Party or by a person to whom paragraph (b)(i) or (ii) above applies to provide administration or settlement services in respect of one or more of the Finance Documents including without limitation, in relation to the trading of participations in respect of the Finance Documents, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this paragraph (c) if the service provider to whom the Confidential Information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Borrower and the relevant Finance Party;
 - (d) to any rating agency (including its professional advisers) such Confidential Information as may be required to be disclosed to enable such rating agency to carry out its normal rating activities in relation to the Finance Documents and/or the Obligors if the rating agency to whom the Confidential Information is to be given is informed of (x) its confidential nature and that some or all of such Confidential Information may be price-sensitive information and (y) in the case of any Services and Right to Use Agreement Confidential Information, that the Group is subject to a duty of confidentiality to the government and/or the relevant public regulatory authorities of the Macau SAR; and

- (e) to the International Swaps and Derivatives Association, Inc. (“ISDA”) or any Credit Derivatives Determination Committee or sub-committee of ISDA where such disclosure is required by them in order to determine whether the obligations under the Finance Documents will be, or in order for the obligations under the Finance Documents to become, deliverable under a credit derivative transaction or other credit linked transaction which incorporates the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement or other provisions substantially equivalent thereto if ISDA is informed of (x) its confidential nature and that some or all of such Confidential Information may be price-sensitive information and (y) in the case of any Services and Right to Use Agreement Confidential Information, that the Group is subject to a duty of confidentiality to the government and/or the relevant public regulatory authorities of the Macau SAR.

38.3 Disclosure to numbering service providers

- (a) Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facilities and/or one or more Obligor the following information:
 - (i) names of Obligor;
 - (ii) country of domicile of Obligor;
 - (iii) place of incorporation of Obligor;
 - (iv) date of this Agreement;
 - (v) Clause 41 (Governing Law);
 - (vi) the name of the Agent;
 - (vii) date of each amendment and restatement of this Agreement;
 - (viii) amounts of, and names of, the Facilities (and any tranches):
 - (ix) amount of Total Commitments;
 - (x) currencies of the Facilities;
 - (xi) type of Facilities;
 - (xii) ranking of Facilities;
 - (xiii) Termination Date for Facilities;
 - (xiv) changes to any of the information previously supplied pursuant to paragraphs (i) to (xiii) above; and
 - (xv) such other information agreed between such Finance Party and the Borrower,to enable such numbering service provider to provide its usual syndicated loan numbering identification services.
- (b) The Parties acknowledge and agree that each identification number assigned to this Agreement, the Facilities and/or one or more Obligor by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.

- (c) The Borrower represents that none of the information set out in paragraphs (i) to (xv) of paragraph (a) above is, nor will at any time be, unpublished price-sensitive information.
- (d) The Agent shall notify the Borrower and the other Finance Parties of:
 - (i) the name of any numbering service provider appointed by the Agent in respect of this Agreement, the Facilities and/or one or more Obligors; and
 - (ii) the number or, as the case may be, numbers assigned to this Agreement, the Facilities and/or one or more Obligors by such numbering service provider.

38.4 Entire agreement

This Clause 38 constitutes the entire agreement between the Parties in relation to the obligations of the Finance Parties under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

38.5 Inside information

Each of the Finance Parties acknowledges that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each of the Finance Parties undertakes not to use any Confidential Information for any unlawful purpose.

38.6 Notification of disclosure

Each of the Finance Parties agrees (to the extent permitted by law and regulation) to inform the Borrower:

- (a) of the circumstances of any disclosure of Confidential Information made pursuant to paragraph (b)(v) of Clause 38.2 (*Disclosure of Confidential Information*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
- (b) upon becoming aware that Confidential Information has been disclosed in breach of this Clause 38.

38.7 Continuing obligations

The obligations in this Clause 38 are continuing and, in particular, shall survive and remain binding on each Finance Party for a period of twelve months from the earlier of:

- (a) the date on which all amounts payable by the Obligors under or in connection with the Finance Documents have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and
- (b) the date on which such Finance Party otherwise ceases to be a Finance Party.

38.8 Tax Disclosure

Notwithstanding any of the provisions of the Finance Documents, the Obligors and the Finance Parties hereby agree that each Party and each employee, representative or other agent of each Party may disclose to any and all persons, without limitation of any kind, the “tax structure” and “tax treatment” (in each case within the meaning of the U.S. Treasury Regulation Section 1.6011-4) of the Facility and any materials of any kind (including opinions or other tax analyses) that are provided to any of the foregoing relating to such tax structure and tax treatment to the extent, but only to the extent, necessary for the transaction to avoid being considered a confidential transaction for purposes of U.S. Treasury Regulation section 1.6011-4(b)(3).

39. Counterparts

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

40. USA Patriot Act

Each Lender hereby notifies each Obligor that pursuant to the requirements of the USA Patriot Act, such Lender is required to obtain, verify and record information that identifies such Obligor, which information includes the name and address of such Obligor and other information that will allow such Lender to identify such Obligor in accordance with the USA Patriot Act.

SECTION 12
GOVERNING LAW AND ENFORCEMENT

41. Governing law

41.1 Governing law

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law.

41.2 Schedule 10 (*Covenants*) and Schedule 11 (*Definitions*)

Without prejudice to Clause 41.1 (*Governing law*), the Parties agree that Schedule 10 (*Covenants*) and Schedule 11 (*Definitions*) shall be construed in accordance with New York law.

42. Enforcement

42.1 Jurisdiction of English courts

- (a) The courts of England have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a “**Dispute**”).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) Notwithstanding paragraphs (a) and (b) above, no Finance Party or Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties and Secured Parties may take concurrent proceedings in any number of jurisdictions.

42.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Obligor:
 - (i) irrevocably appoints Law Debenture Corporate Service Limited as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and
 - (ii) agrees that failure by an agent for service of process to notify the relevant Obligor of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Borrower (on behalf of all the Obligors) must immediately (and in any event within three (3) Business Days of such event taking place) appoint another agent on terms acceptable to the Agent. Failing this, the Agent may appoint another agent for this purpose.

42.3 Waiver of immunities

The Borrower irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:

- (a) suit;
- (b) jurisdiction of any court;
- (c) relief by way of injunction or order for specific performance or recovery of property;
- (d) attachment of its assets (whether before or after judgment); and
- (e) execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings).

This Agreement has been entered into on the date stated at the beginning of this Agreement.

Schedule 1

Original Parties

Part 1

Original Facility A Lender

Name of Original Facility A Lender	Place of Incorporation	Facility A Participation (HKS)
Bank of China Limited, Macau Branch	Incorporated with limited liability under the laws of the People’s Republic of China	1,000,000
Total		1,000,000

Part 2

Original Revolving Facility Lender

Name of Original Revolving Facility Lender	Place of Incorporation	Revolving Facility Commitment (HKS)
Bank of China Limited, Macau Branch	Incorporated with limited liability under the laws of the People’s Republic of China	233,000,000
Total		233,000,000

2024 Original Guarantors

2024 Original Guarantor	Jurisdiction of incorporation	Registration Number (or equivalent)
Studio City Investments Limited	British Virgin Islands	1673083
Studio City Holdings Two Limited	British Virgin Islands	402572
Studio City Holdings Three Limited	British Virgin Islands	1746781
Studio City Holdings Four Limited	British Virgin Islands	1746782
SCP Holdings Limited	British Virgin Islands	1697577
SCP One Limited	British Virgin Islands	1697795
SCP Two Limited	British Virgin Islands	1697797
SCIP Holdings Limited	British Virgin Islands	1789810
Studio City Entertainment Limited	Macau SAR	27610
Studio City Services Limited	Macau SAR	40053
Studio City Hotels Limited	Macau SAR	41334
Studio City Hospitality and Services Limited	Macau SAR	40168
Studio City Developments Limited	Macau SAR	14311
Studio City Retail Services Limited	Macau SAR	45208
Studio City (HK) Two Limited (新濠影匯(香港)第二有限公司)	Hong Kong SAR	69617127

Schedule 2

Conditions precedent required to be delivered by an Additional Guarantor

1. An Accession Letter executed by the Additional Guarantor and the Borrower.
2. A copy of the Constitutional Documents of the Additional Guarantor.
3. In the case of any Additional Guarantor who is a US Person, a copy of a good standing certificate (including verification of tax status) or equivalent with respect to the Additional Guarantor, issued as of a recent date by the Secretary of State or other relevant State or other Governmental Authority.
4. A copy of a resolution of the board of directors or sole director of the Additional Guarantor:
 - (a) approving the terms of, and the transactions contemplated by, the Accession Letter and the Transaction Documents to which it is a party and resolving that it execute, deliver and perform the Accession Letter and any other Transaction Documents to which it is a party;
 - (b) authorising a specified person or persons to execute the Accession Letter and other Transaction Documents on its behalf; and
 - (c) authorising the Borrower to act as its agent in connection with the Finance Documents.
5. A specimen of the signature of each person authorised by the resolution referred to in paragraph 4 above.
6. A copy of a resolution signed by all the holders of the issued shares in each Additional Guarantor, approving the terms of, and the transactions contemplated by, the Transaction Documents to which it is a party.
7. A certificate of the Additional Guarantor (signed by a director) confirming that borrowing or guaranteeing or securing, as appropriate, the Total Commitments or the entry into or performance under any of the Transaction Documents to which it is a party would not cause any borrowing, guarantee, security or similar limit or any other Legal Requirement binding on it to be exceeded.
8. A certificate of an authorised signatory of the Additional Guarantor certifying that each document, copy document and other evidence listed in this Schedule 2 is correct, complete and in full force and effect and has not been amended or superseded as at a date no earlier than the date of the Accession Letter.
9. The following legal opinions:
 - (a) A legal opinion of the legal advisers to the Agent and the Common Security Agent, as to English law.
 - (b) If the Additional Guarantor is incorporated in a jurisdiction other than England and Wales or is executing a Finance Document which is governed by a law other than English law, a legal opinion of the legal advisers to the Agent and the Common Security Agent in each of those jurisdictions.
10. Evidence that the agent for service of process specified in Clause 42.2 (*Service of process*) has accepted its appointment in relation to the proposed Additional Guarantor.
11. Any Transaction Security Documents which are required by the Agent to be executed by the proposed Additional Guarantor (and which are in form and substance substantially equivalent to those entered into by the existing Obligor).

12. Any notices, requests for undertakings or other documents required to be given or executed under the terms of those Transaction Security Documents, together with, where relevant, their due acknowledgement and agreement by the addressee or any other person expressed to be a party thereto.
13. Evidence that promptly after the execution of any Transaction Security Document by a company incorporated in the British Virgin Islands (a “**BVI Company**”), such BVI Company has instructed (i) its registered agent in the British Virgin Islands to create and maintain a Register of Charges that complies with the BVI Business Companies Act (as amended) (the “**BBCA**”), (ii) to enter particulars of the security created pursuant to such Transaction Security Document in such Register of Charges, and (iii) its registered agent to effect registration of such Transaction Security Document at the Registry pursuant to Section 163 of the BBCA.
14. Evidence that within 10 Business Days after the date of execution of any relevant Transaction Security Documents relating to shares in a BVI Company, (i) a notation of the security created by such Transaction Security Document has been made in the relevant Register of Members of such BVI Company pursuant to section 66(8) of the BBCA and (ii) a copy of such annotated Register of Members has been filed with the Registry.
15. A certified copy of each of the Registers of Members referred to and as annotated as set out in paragraph 14 above.

Schedule 3
Requests and notices

Part 1
Form of Utilisation Request
Revolving Facility

From: Studio City Company Limited as Borrower

To: [Agent]

Date:

Dear Sirs

Studio City Company Limited—Facilities Agreement originally dated 28 January 2013 (as amended and amended and restated from time to time) (the “Facilities Agreement”)

- 1. We refer to the Facilities Agreement. This is a Utilisation Request. Terms defined in the Facilities Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.
- 2. We wish to borrow a Revolving Facility Loan on the following terms:

Proposed Utilisation Date: [•]
(or, if that is not a Business Day, the next Business Day)

Currency of Loan: [HK dollars]

Amount: [•] or, if less, the Available Facility

Interest Period: [•]

Purpose: [•]

- 3. We confirm that:
 - (a) the purpose specified above complies with the permitted use of the Revolving Facility under the Facilities Agreement and the restrictions set out in of Clause 5.5 (*Limitations on Utilisations*) of the Facilities Agreement and no part of the Loan will be applied otherwise than in accordance with such purpose; and
 - (b) each condition specified in Clause 4.1 (*Utilisation conditions precedent*) is satisfied on the date of this Utilisation Request.
- 4. [This Revolving Facility Loan is to be made in [whole]/[part] for the purpose of refinancing [*identify maturing Revolving Facility Loan*].]/[The proceeds of this Loan should be credited to [*account*]].

5. This Utilisation Request is irrevocable.

Yours faithfully

authorised signatory

for and on behalf of
Studio City Company Limited

Part 2
Selection Notice

From: Studio City Company Limited as Borrower

To: [Agent]

Date:

Dear Sirs

Studio City Company Limited—Facilities Agreement originally dated 28 January 2013 (as amended and amended and restated from time to time) (the “Facilities Agreement”)

- 1. We refer to the Facilities Agreement. This is a Selection Notice. Terms defined in the Facilities Agreement have the same meaning in this Selection Notice unless given a different meaning in this Selection Notice.
- 2. The current Interest Period for the Facility A Loan will end on [•].
- 3. We request that the next Interest Period for the Facility A Loan is [•].
- 4. This Selection Notice is irrevocable.

Yours faithfully

authorised signatory
for and on behalf of
Studio City Company Limited

Schedule 4
Form of Transfer Certificate

To: [•] as Agent and [•] as Intercreditor Agent

From: [*The Existing Lender*] (the “**Existing Lender**”) and [*The New Lender*] (the “**New Lender**”)

Dated:

Dear Sirs

Studio City Company Limited—Facilities Agreement originally dated 28 January 2013 (as amended and amended and restated from time to time) (the “Facilities Agreement”)

1. We refer to the Facilities Agreement and to the Intercreditor Agreement (as defined in the Facilities Agreement). This agreement (the “**Agreement**”) shall take effect as a Transfer Certificate for the purpose of the Facilities Agreement and as a Creditor/Creditor Representative Accession Undertaking for the purposes of the Intercreditor Agreement (and as defined in the Intercreditor Agreement). Terms defined in or construed for the purposes of the Facilities Agreement have the same meaning in this Agreement unless given a different meaning in this Agreement.
2. We refer to Clause 25.5 (*Procedure for transfer*) of the Facilities Agreement:
 - (a) The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender by novation all or part of the Existing Lender’s Commitment(s) and/or all or part of the Existing Lender’s participation(s) in Loan(s), rights and obligations referred to in the Schedule in accordance with Clause 25.5 (*Procedure for transfer*).
 - (b) The Existing Lender transfers to the New Lender all the rights of the Existing Lender under the Onshore Security Documents and in respect of the Transaction Security created or expressed to be created thereunder which correspond to that portion of the Existing Lender’s Commitment, rights and obligations referred to (if any) under the Onshore Security Documents in the Schedule.
 - (c) The Existing Lender is released from all the obligations of the Existing Lender which correspond to that portion of the Existing Lender’s Commitment, rights and obligations referred to (if any) under the Onshore Security Documents in the Schedule.
 - (d) The proposed Transfer Date is [•].
 - (e) The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of Clause 33.2 (*Addresses*) are set out in the Schedule.
3. The New Lender expressly acknowledges:
 - (a) the limitations on the Existing Lender’s obligations set out in paragraph (c) of Clause 25.4 (*Limitation of responsibility of Existing Lenders*); and
 - (b) that it is the responsibility of the New Lender to ascertain whether any document is required or any formality or other condition requires to be satisfied to effect or perfect the transfer contemplated by this Transfer Certificate or otherwise to enable the New Lender to enjoy the full benefit of each Finance Document.
4. The New Lender confirms that it is a “New Lender” within the meaning of Clause 25.1 (*Assignments and transfers by the Lenders*).
5. The New Lender confirms that it [is]/[is not] a Sponsor Affiliate.

6. We refer to clauses 25.5 (*Change of Credit Facility Lender or Pari Passu Lender under an Existing Credit Facility or Pari Passu Facility*) and 25.14 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement:

In consideration of the New Lender being accepted as a Credit Facility Lender (as defined in the Intercreditor Agreement) for the purposes of the Intercreditor Agreement, the Increase Lender confirms that, as from the Increase Date, it intends to be party to the Intercreditor Agreement as a Credit Facility Lender and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Credit Facility Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.
7. This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on such counterparts were on a single copy of this Agreement.
8. This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with the laws of England and Wales.

The execution of this Transfer Certificate may not entitle the New Lender to a proportionate share of the Transaction Security in all jurisdictions. It is the responsibility of the New Lender to ascertain whether any other documents or other formalities are required in any jurisdiction and, if so, to arrange for execution of those documents and completion of those formalities.

THE SCHEDULE

Commitment/rights and obligations to be transferred

[insert relevant details]

[Facility Office address, fax number and attention details for notices and account details for payments,]

[Existing Lender]

[New Lender]

By:

By:

This Agreement is accepted as a Transfer Certificate for the purposes of the Facilities Agreement by the Agent and as a Creditor/Agent Accession Undertaking for the purposes of and as defined in the Intercreditor Agreement by the Intercreditor Agent, and the Transfer Date is confirmed as [•].

Agent

By:

Intercreditor Agent

By:

Note: It is the New Lender's responsibility to ascertain whether any other document is required, or any formality or other condition is required to be satisfied, to effect or perfect the transfer contemplated in this Transfer Certificate or to give the New Lender full enjoyment of all the Finance Documents.

Schedule 5

Form of Assignment Agreement and Lender Accession Undertaking

To: [•] as Agent and [•] as Intercreditor Agent

From: [The Existing Lender] (the “Existing Lender”) and [The New Lender] (the “New Lender”)

Dated:

Dear Sirs

Studio City Company Limited—Facilities Agreement originally dated 28 January 2013 (as amended and amended and restated from time to time) (the “Facilities Agreement”)

1. We refer to the Facilities Agreement and to the Intercreditor Agreement (as defined in the Facilities Agreement). This is an Assignment Agreement and Lender Accession Undertaking. This agreement (the “**Agreement**”) shall take effect as an Assignment Agreement and Lender Accession Undertaking for the purpose of the Facilities Agreement and as a Creditor/Creditor Representative Accession Undertaking for the purposes of the Intercreditor Agreement (and as defined in the Intercreditor Agreement). Terms defined in or construed for the purposes of the Facilities Agreement have the same meaning in this Agreement unless given a different meaning in this Agreement.
 - (a) We refer to Clause 25.6 (*Procedure for assignment*) of the Facilities Agreement.
 - (b) The Existing Lender assigns absolutely to the New Lender all the rights of the Existing Lender under the Facilities Agreement, the other Finance Documents (excluding the Onshore Security Documents) and under the Onshore Security Documents and in respect of the Transaction Security created or expressed to be created thereunder which correspond to that portion of the Existing Lender’s Commitment(s) and/or all or part of the Existing Lender’s participation(s) in Loan(s) under the Facilities Agreement and its rights and obligations referred to (if any) under the Onshore Security Documents in the Schedule.
 - (c) The Existing Lender is released from all the obligations of the Existing Lender which correspond to that portion of the Existing Lender’s Commitment(s) and/or all or part of the Existing Lender’s participation(s) in Loan(s) under the Facilities Agreement and its rights and obligations referred to (if any) under the Onshore Security Documents in the Schedule.
2. The proposed Transfer Date is [•].
3. On the Transfer Date the New Lender becomes:
 - (a) party to the relevant Finance Documents (other than the Intercreditor Agreement) as a Lender; and
 - (b) party to the Intercreditor Agreement as a Credit Facility Lender.
4. The New Lender expressly acknowledges the limitations on the Existing Lender’s obligations set out in paragraph (c) of Clause 25.4 (*Limitation of responsibility of Existing Lenders*).
5. The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of Clause 33.2 (*Addresses*) are set out in the Schedule.
6. The New Lender confirms that it [is]/[is not] a Sponsor Affiliate.

7. We refer to clauses 25.5 (*Change of Credit Facility Lender or Pari Passu Lender under an Existing Credit Facility or Pari Passu Facility*) and 25.14 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement:

In consideration of the New Lender being accepted as a Credit Facility Lender (as defined in the Intercreditor Agreement) for the purposes of the Intercreditor Agreement, the Increase Lender confirms that, as from the Increase Date, it intends to be party to the Intercreditor Agreement as a Credit Facility Lender and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Credit Facility Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.
8. This Agreement acts as notice to the Agent (on behalf of each Finance Party) and, upon delivery to the Borrower and the Parent in accordance with Clause 25.7 (*Copy of assignments, transfer and accession documents to the Borrower and Parent*), to the Borrower and to the Parent (for itself and for and on behalf of each other Obligor) of the assignment referred to in this Agreement.
9. This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.
10. This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with the laws of England and Wales.

The execution of this Assignment Agreement and Lender Accession Undertaking may not entitle the New Lender to a proportionate share of the Transaction Security in all jurisdictions. It is the responsibility of the New Lender to ascertain whether any other documents or other formalities are required in any jurisdiction and, if so, to arrange for execution of those documents and completion of those formalities.

THE SCHEDULE

Commitment/rights and obligations to be transferred by assignment, release and accession

[insert relevant details]

[Facility office address, fax number and attention details for notices
and account details for payments]

[Existing Lender]

[New Lender]

By:

By:

This Agreement is accepted as an Assignment Agreement and Lender Accession Undertaking for the purposes of the Facilities Agreement by the Agent and as a Creditor/Agent Accession Undertaking for the purposes of and as defined in the Intercreditor Agreement by the Intercreditor Agent, and the Transfer Date is confirmed as [•].

Signature of this Agreement by the Agent constitutes confirmation by the Agent of receipt of notice of the assignment referred to herein, which notice the Agent receives on behalf of each Finance Party.

Agent

By:

Intercreditor Agent

By:

Note: It is the New Lender's responsibility to ascertain whether any other document is required, or any formality or other condition is required to be satisfied, to effect or perfect the transfer contemplated in this Assignment Agreement and Lender Accession Undertaking or to give the New Lender full enjoyment of all the Finance Documents.

Schedule 6
Form of Accession Letter

To: [•] as Agent and [•] as Intercreditor Agent

From: [Subsidiary] and Studio City Company Limited

Dated:

Dear Sirs

Studio City Company Limited—Facilities Agreement originally dated 28 January 2013 (as amended and amended and restated from time to time) (the “Facilities Agreement”)

1. We refer to the Facilities Agreement and to the Intercreditor Agreement (as defined in the Facilities Agreement). This deed (the “**Accession Deed**”) shall take effect as an Accession Letter for the purpose of the Facilities Agreement and as a Debtor Accession Deed for the purposes of the Intercreditor Agreement (and as defined in the Intercreditor Agreement). Terms defined in the Facilities Agreement have the same meaning in paragraphs 1 to 4 of this Accession Deed unless given a different meaning in this Accession Deed.
2. [Subsidiary] agrees to become an Additional Guarantor and to be bound by the terms of the Facilities Agreement and the other Finance Documents (other than the Intercreditor Agreement) as an Additional Guarantor pursuant to Clause 27.2 (*Additional Guarantors*) of the Facilities Agreement. [Subsidiary] is a company duly incorporated under the laws of [name of relevant jurisdiction] and is a limited liability company with registered number [•].
3. [Subsidiary’s] administrative details are as follows:
Address:
Fax No.:
Attention
4. The Borrower and the Subsidiary make the Repeating Representations to the Finance Parties on the date of this Accession Deed.
5. [Subsidiary] (for the purposes of this paragraph 5, the “**Acceding Debtor**”) intends to give a guarantee, indemnity or other assurance against loss in respect of liabilities under the following documents:

[Insert details (date, parties and description) of relevant documents]

the “**Relevant Documents**”.

It is agreed as follows:

- (a) Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Agreement, bear the same meaning when used in this paragraph 5.
- (b) The Acceding Debtor and the Common Security Agent agree that the Common Security Agent shall hold:
 - (i) [any Security in respect of Liabilities created or expressed to be created pursuant to the Relevant Documents;

- (ii) all proceeds of that Security; and]*
- (iii) all obligations expressed to be undertaken by the Acceding Debtor to pay amounts in respect of the Liabilities to the Common Security Agent as trustee for the Secured Parties (in the Relevant Documents or otherwise) and secured by the Transaction Security together with all representations and warranties expressed to be given by the Acceding Debtor (in the Relevant Documents or otherwise) in favour of the Common Security Agent as trustee for the Secured Parties,
on trust for the Secured Parties on the terms and conditions contained in the Intercreditor Agreement.
- (c) The Acceding Debtor confirms that it intends to be party to the Intercreditor Agreement as a Debtor, undertakes to perform all the obligations expressed to be assumed by a Debtor under the Intercreditor Agreement and agrees that it shall be bound by all the provisions of the Intercreditor Agreement as if it had been an original party to the Intercreditor Agreement.
- (d) [In consideration of the Acceding Debtor being accepted as an Intra-Group Lender for the purposes of the Intercreditor Agreement, the Acceding Debtor also confirms that it intends to be party to the Intercreditor Agreement as an Intra-Group Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by an Intra-Group Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement].**

6. This Accession Deed and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with the laws of England and Wales.

This Accession Deed has been signed on behalf of the Intercreditor Agent and the Common Security Agent (each, for the purposes of paragraphs 5 and 6 above, only), signed by the Borrower and executed as a deed by [*Subsidiary*] and is delivered on the date stated above.

* Include to the extent that the Security created in the Relevant Documents is expressed to be granted to the Common Security Agent as trustee for the Secured Parties.

** Include this paragraph in the relevant Accession Deed if the Acceding Debtor is also to accede as an Intra-Group Lender to the Intercreditor Agreement.

[Subsidiary]
[Executed as a Deed]
By: [Full name of Subsidiary]

}

Director

}

Director/Secretary

or

}

[Executed as a Deed]
By: [Full name of Subsidiary]

Signature of Director

}

Name of Director

In the presence of:

Signature of witness:

Name of witness:

Address of witness:

Occupation of witness:

Address for notices:

Address:

Fax:

By: _____
Date:

The Intercreditor Agent
[Full name of current Intercreditor Agent]

By: _____
Date:

The Common Security Agent
[Full name of current Common Security Agent]

By: _____
Date:

Schedule 7
Form of Resignation Letter

To: [•] as Agent and [•] as Intercreditor Agent
From: [resigning Obligor] and Studio City Company Limited
Dated:
Dear Sirs

Studio City Company Limited—Facilities Agreement originally dated 28 January 2013 (as amended and amended and restated from time to time) (the “Facilities Agreement”)

1. We refer to the Facilities Agreement. This is a Resignation Letter. Terms defined in or construed for the purposes of the Facilities Agreement have the same meaning in this Resignation Letter unless given a different meaning in this Resignation Letter.
2. Pursuant to Clause 27.4 (*Resignation of a Guarantor*) of the Facilities Agreement, we request that [resigning Obligor] be released from its obligations as a Guarantor under the Facilities Agreement and the Finance Documents.
3. We confirm that:
 - (a) [such release is conditional upon repayment or prepayment in full of the Facilities and the payment of all other amounts then due and payable under the Finance Documents and the cancellation of all Commitments under the Finance Documents;]
 - (b) [the Resigning Guarantor is being (or shares or equity interests in the Resigning Guarantor are being) disposed of (directly or indirectly) by way of a sale or disposal or reorganisation where such sale or disposal or reorganisation is expressly permitted under the Facilities Agreement or any other Finance Document in circumstances where the Resigning Guarantor will cease to be a member of the Group;]
[or]
 - (c) [the Lenders have consented to the resignation of the Resigning Guarantor]; [or]
4. We confirm that no Event of Default is continuing.
5. This Resignation Letter and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with the laws of England and Wales.

Studio City Company Limited

[Resigning Obligor]

By: _____
Date: _____

By: _____
Date: _____

Schedule 8
Forms of Notifiable Debt Purchase Transaction Notice

Part 1
Form of Notice on Entering into Notifiable Debt Purchase Transaction

To: [•] as Agent

From: [The Lender]

Dated:

Dear Sirs

Studio City Company Limited—Facilities Agreement originally dated 28 January 2013 (as amended and amended and restated from time to time) (the “Facilities Agreement”)

- 1. We refer to paragraph (b) of Clause 26.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates*) of the Facilities Agreement. Terms defined in the Facilities Agreement have the same meaning in this notice unless given a different meaning in this notice.
- 2. We have entered into a Notifiable Debt Purchase Transaction.
- 3. The Notifiable Debt Purchase Transaction referred to in paragraph 2 above relates to the amount of our Commitment(s) as set out below.

Commitment	Amount of our Commitment to which Notifiable Debt Purchase Transaction relates (HK\$)
Revolving Facility Commitment	[insert amount of that Commitment to which the relevant Debt Purchase Transaction applies]

[Lender]

By:

Part 2
Form of Notice on Termination of Notifiable Debt Purchase Transaction/Notifiable Debt Purchase Transaction Ceasing to be with Sponsor Affiliate

To: [•] as Agent

From: [The Lender]

Dated:

Dear Sirs

Studio City Company Limited—Facilities Agreement originally dated 28 January 2013 (as amended and amended and restated from time to time) (the “Facilities Agreement”)

- 1. We refer to paragraph (b) of Clause 26.2 (*Disenfranchisement on Debt Purchase Transactions entered into by Sponsor Affiliates*) of the Facilities Agreement. Terms defined in the Facilities Agreement have the same meaning in this notice unless given a different meaning in this notice.
- 2. A Notifiable Debt Purchase Transaction which we entered into and which we notified you of in a notice dated [•] has [terminated]/[ceased to be with a Sponsor Affiliate].*
- 3. The Notifiable Debt Purchase Transaction referred to in paragraph 2 above relates to the amount of our Commitment(s) as set out below.

Commitment	Amount of our Commitment to which Notifiable Debt Purchase Transaction relates (HK\$)

Revolving Facility Commitment	[insert amount of that Commitment to which the relevant Debt Purchase Transaction applies]

[Lender]

By:

* Delete as applicable

Schedule 9

Form of Increase Confirmation

To: [•] as Agent, [•] as Intercreditor Agent, Studio City Company Limited and Studio City Investments Limited (for and on behalf of itself and each other Obligor)

From: [the Increase Lender] (the **Increase Lender**)

Dated:

Dear Sirs

Studio City Company Limited—Facilities Agreement originally dated 28 January 2013 (as amended and amended and restated from time to time) (the “Facilities Agreement”)

1. We refer to the Facilities Agreement and to the Intercreditor Agreement (as defined in the Facilities Agreement). This agreement (the “**Agreement**”) shall take effect as an Increase Confirmation for the purpose of the Facilities Agreement and as a Creditor/Creditor Representative Accession Undertaking for the purposes of the Intercreditor Agreement (and as defined in the Intercreditor Agreement). Terms defined in or construed for the purposes of the Facilities Agreement have the same meaning in this Agreement unless given a different meaning in this Agreement.
2. We refer to Clause 2.2 (*Increase*) of the Facilities Agreement.
3. The Increase Lender agrees to assume and will assume all of the obligations corresponding to the Commitment specified in the Schedule (the “**Relevant Commitment**”) as if it was an Original Lender under the Facilities Agreement.
4. The proposed date on which such assumption in relation to the Increase Lender and the Relevant Commitment is to take effect (the “**Increase Date**”) is [•].
5. On the Increase Date, the Increase Lender becomes:
 - (a) party to the Facilities Agreement as a Lender, and becomes a Lender for the purposes of the each other Finance Document; and
 - (b) party to the Intercreditor Agreement as a Credit Facility Lender (as defined in the Intercreditor Agreement).
6. The Facility Office and address, fax number and attention details for notices to the Increase Lender for the purposes of Clause 33.2 (*Addresses*) of the Facilities Agreement are set out in the Schedule.
7. The Increase Lender expressly acknowledges the limitations on the Lenders’ obligations referred to in paragraph (g) of Clause 2.2 (*Increase*) of the Facilities Agreement.
8. The Increase Lender confirms that it is not a Sponsor Affiliate.
9. We refer to clauses 25.5 (*Change of Credit Facility Lender or Pari Passu Lender under an Existing Credit Facility or Pari Passu Facility*) and 25.14 (*Creditor/Creditor Representative Accession Undertaking*) of the Intercreditor Agreement:

In consideration of the Increase Lender being accepted as a Credit Facility Lender (as defined in the Intercreditor Agreement) for the purposes of the Intercreditor Agreement, the Increase Lender confirms that, as from the Increase Date, it intends to be party to the Intercreditor Agreement as a Credit Facility Lender and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a Credit Facility Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.

-
10. This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on such counterparts were on a single copy of this Agreement.
 11. This Agreement and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with the laws of England and Wales.
 12. This Agreement has been entered into on the date stated at the beginning of this Agreement.

The execution of this Increase Confirmation may not be sufficient for the Increase Lender to obtain the benefit of the Transaction Security in all jurisdictions. It is the responsibility of the Increase Lender to ascertain whether any other documents or other formalities are required to obtain the benefit of the Transaction Security in any jurisdiction and, if so, to arrange for execution of those documents and completion of those formalities.

SCHEDULE

Relevant Commitment/rights and obligations to be assumed by the Increase Lender

[insert relevant details]

[Facility office address, fax number and attention details for notices and account details for payments]

[Increase Lender]

By:

This Agreement is accepted as an Increase Confirmation for the purposes of the Facilities Agreement by the Agent and as a Creditor/Agent Accession Undertaking for the purposes of and as defined in the Intercreditor Agreement by the Intercreditor Agent, and the Increase Date is confirmed as [•].

Agent

By:

Intercreditor Agent

By:

Schedule 10
Covenants

1. Definitions and rules of construction

- (a) Terms used in this Schedule 10 shall, if not otherwise defined in this Schedule 10, have the meaning given to them in Schedule 11 (*Definitions*) and shall, if not otherwise defined in Schedule 11 (*Definitions*) have the meaning given to them elsewhere in this Agreement (including, without limitation, Clause 1.1 (*Definitions*)). References to a “Section” are to sections of this Schedule 10.
- (b) Each of the Parties acknowledges and agrees that the provisions of this Schedule 10 are not intended to (and shall not be construed so as to) permit any transaction, step, action or other matter that is otherwise prohibited by any other provisions of this Agreement.
- (c) Unless the context otherwise requires, in this Schedule 10:
 - (i) a term has the meaning assigned to it;
 - (ii) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;
 - (iii) “or” is not exclusive;
 - (iv) words in the singular include the plural, and in the plural include the singular;
 - (v) “will” shall be interpreted to express a command;
 - (vi) provisions apply to successive events and transactions; and
 - (vii) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

2. Limitation on Restricted Payments

- (a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly:
 - (i) declare or pay any dividend or make any other payment or distribution on account of the Company’s, the Parent Guarantor’s or any of its Restricted Subsidiaries’ Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Parent Guarantor or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company’s, the Parent Guarantor’s or any of its Restricted Subsidiaries’ Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Parent Guarantor and other than dividends or distributions payable to the Parent Guarantor or a Restricted Subsidiary);
 - (ii) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Parent Guarantor or the Company) any Equity Interests of the Parent Guarantor or the Company or any of their respective direct or indirect parents held by persons other than the Parent Guarantor or a Restricted Subsidiary (other than in exchange for Equity Interests (other than Disqualified Stock) of the Parent Guarantor);

- (iii) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor (excluding any intercompany Indebtedness between or among the Parent Guarantor and any of its Restricted Subsidiaries) or the Intercompany Note Proceeds Loans, except a payment of interest or principal of the Intercompany Note Proceeds Loans at the Stated Maturity thereof; or
 - (iv) make any Restricted Investment,
- (all such payments and other actions set forth in clauses (i) through (iv) above being collectively referred to as “**Restricted Payments**”), unless, at the time of and after giving effect to such Restricted Payment:

- (A) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;
- (B) the Parent Guarantor would, at the time of such Restricted Payment and after giving *pro forma* effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to Incur at least US\$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4(a) hereof; and
- (C) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Parent Guarantor and its Restricted Subsidiaries since the Measurement Date (excluding Restricted Payments permitted by clauses (ii) through (xii) of Section 2(b) below), is less than the sum, without duplication, of:
 - (I) 75% of the EBITDA of the Parent Guarantor *less* 2.00 times Fixed Charges of the Parent Guarantor for the period (taken as one accounting period) from 1 January 2019 to the end of the Parent Guarantor’s most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such EBITDA for such period is a deficit, *minus* 100% of such deficit); *plus*
 - (II) 100% of the aggregate net cash proceeds received by the Parent Guarantor since the Measurement Date as a contribution to its common equity capital or from the issue or sale of Equity Interests (other than Disqualified Stock) of the Parent Guarantor (in each case, other than in connection with any Excluded Contribution) or from the issue or sale of convertible or exchangeable Disqualified Stock or convertible or exchangeable debt securities of the Parent Guarantor that have been converted into or exchanged for such Equity Interests (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of the Parent Guarantor); *plus*

- (III) to the extent that any Restricted Investment that was made after the Measurement Date (x) is reduced as a result of payments of dividends to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor or (y) is sold for cash or otherwise liquidated or repaid for cash, (in the case of sub-clauses (x) and (y)) the lesser of (i) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (ii) the initial amount of such Restricted Investment or (z) is reduced upon the release of the guarantees and indemnities under this Agreement granted by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor that constituted a Restricted Investment, to the extent that the initial granting of such guarantee reduced the restricted payments capacity under this clause (C); *plus*
- (IV) to the extent that any Unrestricted Subsidiary of the Parent Guarantor designated as such after the Measurement Date is re-designated as a Restricted Subsidiary after the Measurement Date, the lesser of (i) the Fair Market Value of the Parent Guarantor's Restricted Investment in such Subsidiary as of the date of such re-designation or (ii) the Fair Market Value of the net aggregate Investments made by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor in such Unrestricted Subsidiary from the date such entity was originally designated as an Unrestricted Subsidiary through the date of such re-designation; *plus*
- (V) 100% of the aggregate amount received from the sale of the stock of any Unrestricted Subsidiary of the Parent Guarantor after the Measurement Date or 100% of any dividends received by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor after the Measurement Date from an Unrestricted Subsidiary of the Parent Guarantor; *less*
- (VI) any amount paid by the Company pursuant to paragraph (b) of Clause 37.7 (*Cancellation and repayment of a Replaceable Lender (other than an Illegal Lender)*) of this Agreement or the corresponding provision of an Additional Credit Facility Agreement.

(b) The provisions of Section 2(a) above will not prohibit:

- (i) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of this Agreement;
- (ii) the making of any Restricted Payment in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of the Parent Guarantor) of, Equity Interests of the Parent Guarantor (other than Disqualified Stock) or from the substantially concurrent contribution of common equity capital to the Parent Guarantor (in each case, other than in connection with any Excluded Contribution); *provided that* the amount of any such net cash proceeds that are utilized for any such Restricted Payment will be excluded from clause (C)(II) of Section 2(a) hereof;
- (iii) the repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor with the net cash proceeds from a substantially concurrent Incurrence of Permitted Refinancing Indebtedness;

- (iv) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary to the holders of its Equity Interests on a *pro rata* basis;
- (v) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor held by any current or former officer, director or employee of the Parent Guarantor or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; *provided that* the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed US\$1.0 million in any twelve-month period;
- (vi) the repurchase of Equity Interests deemed to occur upon the exercise of stock options to the extent such Equity Interests represent a portion of the exercise price of those stock options;
- (vii) the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor issued on or after the date of the 2016 Amendment and Restatement Effective Date in accordance with the Fixed Charge Coverage Ratio test described in Section 4(a) hereof;
- (viii) any Restricted Payment made or deemed to be made by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA;
- (ix) [Reserved];
- (x) Restricted Payments that are made with Excluded Contributions;
- (xi) payments to any parent entity in respect of directors' fees, remuneration and expenses (including director and officer insurance (including premiums therefore)) to the extent relating to the Parent Guarantor and its Subsidiaries, in an aggregate amount not to exceed US\$5.0 million per annum;
- (xii) the making of Restricted Payments, if applicable:
 - (A) in amounts required for any direct or indirect parent of the Parent Guarantor to pay fees and expenses (including franchise or similar taxes) required to maintain its corporate existence, customary salary, bonus and other benefits payable to, and indemnities provided on behalf of, officers and employees of any direct or indirect parent of the Parent Guarantor and general corporate operating and overhead expenses of any direct or indirect parent of the Parent Guarantor in each case to the extent such fees and expenses are attributable to the ownership or operation of the Parent Guarantor, if applicable, and its Subsidiaries, in an aggregate amount not to exceed US\$5.0 million per annum;
 - (B) by way of payment under any Intercompany Note Proceeds Loan, in amounts required for any direct or indirect parent of the Parent Guarantor, if applicable, to pay interest and/or principal (including in case of any mandatory or optional redemption, open market purchases, or similar transactions permitted under the Notes) on (I) Indebtedness the proceeds of which have been contributed to the Parent Guarantor or any of its Restricted Subsidiaries or (II) Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness referred to in (I) above (or any such Indebtedness), in each case that has been guaranteed by, or is otherwise considered Indebtedness of, the Parent Guarantor Incurred in each case in accordance with Section 4; *provided that* the amount of any such proceeds will be excluded from clause (C)(II) of Section 2(a);

- (C) in amounts required for any direct or indirect parent of the Parent Guarantor to pay fees and expenses, other than to Affiliates of the Parent Guarantor, related to any unsuccessful equity or debt offering of such parent; and
 - (D) payments for services under any Revenue Sharing Agreement that would constitute or be deemed to constitute a Restricted Payment;
- (xiii) [Reserved];
- (xiv) any Restricted Payments, to the extent required to be made (A) by (or to fund payments required to be made by) any Gaming Authority having jurisdiction over the Parent Guarantor or any of its Restricted Subsidiaries or Melco Resorts Macau (or any other operator of the Studio City Casino), (B) by any Gaming Law in place as of the date of the 2024 Amendment and Restatement Agreement or (C) due to a change in, re-enactment of (or in the interpretation, implementation, administration or application of) any Gaming Law that occurs after the date of the 2024 Amendment and Restatement Agreement;
 - (xv) cash payments in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock of the Parent Guarantor or any Restricted Subsidiary; *provided*, however, that any such cash payment shall not be for the purpose of evading the limitation of this Section 2;
 - (xvi) the repurchase, redemption or other acquisition or retirement for value of any Subordinated Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor pursuant to provisions similar to those described under section 4.15 of the original form of the respective Senior Notes Indentures or section 4.16 of the original form of the Senior Secured 2027 Note Indenture; *provided that* the Company shall have first complied with its obligations under Clause 9.2 (*Change of Control, Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event*) of this Agreement and repaid and cancelled Indebtedness under the Finance Documents to the extent required by such Clause prior to repurchasing, redeeming, acquiring or otherwise retiring for value such Subordinated Indebtedness;
 - (xvii) payments or distributions to dissenting stockholders of Capital Stock of the Parent Guarantor pursuant to applicable law in connection with a consolidation, merger or transfer of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, that complies with Section 13; *provided that* the Company shall have first complied with its obligations under Clause 9.2 (*Change of Control, Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event*) of this Agreement and repaid and cancelled Indebtedness under the Finance Documents to the extent required by such Clause prior to making such payment or distribution; and

(xviii) other Restricted Payments in an aggregate amount not to exceed US\$15.0 million since the date of the 2024 Amendment and Restatement Agreement, *provided*, however, that at the time of, and after giving effect to, any Restricted Payment permitted under clauses (xii), (xiii) and (xviii) of this Section 2(b), no Default shall have occurred and be continuing or would occur as a consequence thereof.

- (c) The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company, the Parent Guarantor or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this Section 2 will be determined by the Board of Directors of the Parent Guarantor or the Company whose resolution with respect thereto will be delivered to the Agent as set forth in an Officer's Certificate of the Parent Guarantor or the Company. The Parent Guarantor's or Company's Board of Directors' determination must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of international standing (an "**Independent Financial Advisor**") if the Fair Market Value exceeds US\$70.0 million.

3. Dividend and Other Payment Restrictions Affecting Subsidiaries

- (a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause, permit or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:
- (i) pay dividends or make any other distributions on its Capital Stock to the Parent Guarantor or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any Indebtedness owed to the Parent Guarantor or any of its Restricted Subsidiaries;
 - (ii) make loans or advances to the Parent Guarantor or any of its Restricted Subsidiaries; or
 - (iii) sell, lease or transfer any of its properties or assets to the Parent Guarantor or any of its Restricted Subsidiaries.
- (b) The restrictions in Section 3(a) hereof will not apply to encumbrances or restrictions existing under or by reason of:
- (i) agreements governing Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries or any other agreements in existence on the date of the 2024 Amendment and Restatement Agreement as in effect on such date and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements on the date of the 2024 Amendment and Restatement Agreement;
 - (ii) (A) the Finance Documents (including the Facilities) or (B) any Secured Obligations Documents (other than the Finance Documents) and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* such other Secured Obligations Documents and the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings thereof are not materially more restrictive, taken as a whole, with respect to such dividend and the other restrictions than those contained in the Finance Documents;

- (iii) the Senior Notes Indentures, the Senior Notes and the Senior Notes Guarantees and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided that* such other instruments, notes and guarantees and the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings thereof are not materially more restrictive, taken as a whole, with respect to such dividend and the other restrictions than those contained in the Finance Documents;
- (iv) applicable law, rule, regulation or order, or governmental license, permit or concession;
- (v) any agreement or instrument governing Indebtedness or Capital Stock of a Person or assets acquired by the Parent Guarantor or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was Incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired (and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements or instruments; *provided that* the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other restrictions than those contained in those agreements or instruments at the time of such acquisition); *provided further*, that, in the case of Indebtedness, such Indebtedness was permitted by the terms of this Agreement to be Incurred;
- (vi) customary non-assignment provisions in contracts and licenses including, without limitation, with respect to any intellectual property, entered into in the ordinary course of business;
- (vii) purchase money obligations for property acquired in the ordinary course of business and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in Section 3(a)(iii);
- (viii) any agreement for the sale or other disposition of Equity Interests or property or assets of a Restricted Subsidiary of the Parent Guarantor that restricts distributions by that Restricted Subsidiary pending the sale or other disposition;
- (ix) Permitted Refinancing Indebtedness; *provided that* the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;
- (x) Liens permitted to be incurred under the provisions of Section 7 hereof that limit the right of the debtor to dispose of the assets subject to such Liens;
- (xi) provisions limiting dividends or the disposition or distribution of assets, property or Equity Interests in joint venture or operating agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements, merger agreements and other similar agreements entered into with the approval of the Parent Guarantor's or the Company's Board of Directors, which limitation is applicable only to the assets, property or Equity Interests that are the subject of such agreements;

- (xii) restrictions on cash or other deposits or net worth imposed by customers or suppliers under contracts entered into in the ordinary course of business; and
- (xiii) any agreement or instrument with respect to any Unrestricted Subsidiary or the property or assets of such Unrestricted Subsidiary that is designated as a Restricted Subsidiary of the Parent Guarantor in accordance with the terms of this Agreement at the time of such designation and not incurred in contemplation of such designation, which encumbrances or restrictions are not applicable to any Person or the property or assets of any Person other than such Subsidiary or its subsidiaries or the property or assets of such Subsidiary or its subsidiaries, and any extensions, refinancing, renewals, supplements or amendments or replacements thereof; *provided that* the encumbrances and restrictions in any such extension, refinancing, renewal, supplement, amendment or replacement, taken as a whole, are no more restrictive in any material respect than those encumbrances or restrictions that are then in effect and that are being extended, refinanced, renewed, supplemented, amended or replaced.

4. Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock

- (a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Indebtedness (including Acquired Indebtedness) and the Parent Guarantor and the Company will not issue any shares of Disqualified Stock and the Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to issue any shares of Preferred Stock; *provided*, however, that the Parent Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue Disqualified Stock, and the Company or any Subsidiary Guarantor may Incur Indebtedness (including Acquired Indebtedness) or issue Preferred Stock, if the Fixed Charge Coverage Ratio of the Parent Guarantor for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred or such Disqualified Stock or Preferred Stock is issued, as the case may be, would have been at least 2.00 to 1.00 determined on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom), as if the additional Indebtedness had been Incurred, or the Disqualified Stock or Preferred Stock had been issued, as the case may be, and the application of proceeds therefrom had occurred at the beginning of such four-quarter period.
- (b) The provisions of Section 4(a) hereof do not apply to the following (collectively, “**Permitted Debt**”):
 - (i) the Incurrence by the Parent Guarantor, the Company and the Subsidiary Guarantors of Indebtedness under Credit Facilities (including the Facilities), *provided that* on the date of the Incurrence of any such Indebtedness and after giving effect thereto, the aggregate principal amount outstanding of all such Indebtedness Incurred pursuant to this clause (i) (together with any refinancing thereof) does not exceed the sum of: (A) (x) US\$35.0 million plus, (y) US\$100.0 million Incurred in respect of the Phase II Project: less (B), in the case of clause (i)(A)(y), the aggregate amount of all Net Proceeds of Asset Sales or any Compliance Sale applied since the date of the 2024 Amendment and Restatement Agreement to repay any term Indebtedness Incurred pursuant to this clause (i)(A)(y) (or the corresponding provision of an Additional Credit Facility Agreement) or to repay any revolving credit indebtedness Incurred under this clause (i)(A)(y) (or the corresponding provision of an Additional Credit Facility Agreement) and effect a corresponding commitment reduction thereunder;

- (ii) [Reserved];
- (iii) (A) the Incurrence by the Parent Guarantor, the Company or the Subsidiary Guarantors of Indebtedness in an aggregate principal amount at any time outstanding, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (iii)(A), not to exceed the greater of (x) an amount equal to 3.5 times the EBITDA of the Parent Guarantor for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the relevant time of determination and (y) US\$1,200,000,000, and
(B) Indebtedness (including, for the avoidance of doubt, Indebtedness under Intercompany Note Proceeds Loans) existing on the date of the 2024 Amendment and Restatement Agreement (other than the Indebtedness described in clause (i) above and Indebtedness represented by the Senior Secured 2027 Notes and the Senior Secured 2027 Notes Guarantees) or Incurred under any Intercompany Note Proceeds Loan after the date of the 2024 Amendment and Restatement Agreement;
- (iv) the Incurrence of Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, Incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property, plant or other assets (including through the acquisition of Capital Stock of any person that owns property, plant or other assets which will, upon acquisition, become a Restricted Subsidiary) used in the business of the Parent Guarantor or any of its Restricted Subsidiaries, in an aggregate principal amount, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (iv), not to exceed the greater of (x) US\$50.0 million and (y) 2.0% of Total Assets at any time outstanding;
- (v) the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge Indebtedness that was permitted by this Agreement to be Incurred under Section 4(a) or clauses (iii)(B), (iv), (v) or (xv) of this Section 4(b);
- (vi) (A) Obligations in respect of workers' compensation claims, self-insurance obligations, bankers' acceptances, performance, bid, appeal and surety bonds and completion or performance guarantees (including the guarantee of any land grant) provided by the Company or any Restricted Subsidiary in connection with the Property or in the ordinary course of business and
(B) Indebtedness constituting reimbursement obligations with respect to letters of credit or trade or bank guarantees (including for land grants) issued in the ordinary course of business to the extent that such letters of credit, trade or bank guarantees (including for land grants) are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than thirty (30) days following receipt of a demand for reimbursement;

- (vii) the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Parent Guarantor and/or any of its Restricted Subsidiaries; *provided*, however, that:
- (A) if the Company or any Guarantor is the obligor on such Indebtedness and the payee is not the Company or a Guarantor, such Indebtedness must be expressly subordinated to the prior payment in full in cash of all of the Facilities Liabilities; and
 - (B) (i) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor and (ii) any sale or other transfer of any such Indebtedness to a Person that is not the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor, will be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Parent Guarantor or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (vii);
- (viii) shares of Preferred Stock of a Restricted Subsidiary issued to the Parent Guarantor or another Restricted Subsidiary of the Parent Guarantor; *provided that*:
- (A) any subsequent issuance or transfer of Equity Interests that results in any such Preferred Stock being held by a Person other than the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor; and
 - (B) any sale or other transfer of any such Preferred Stock to a Person that is not the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor,
- will be deemed, in each case, to constitute an issuance of such Preferred Stock by such Restricted Subsidiary that was not permitted by clause (viii);
- (ix) subject to Clause 23.13 (*Hedging and Treasury Transactions*) of this Agreement, the Incurrence by the Parent Guarantor or any of its Restricted Subsidiaries of Hedging Obligations in the ordinary course of business and not for speculative purposes;
- (x) the guarantee by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor of Indebtedness of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor that was permitted to be Incurred by another provision of this Section 4; *provided that* if the Indebtedness being guaranteed is subordinated to or *pari passu* with the Facilities Liabilities, then the guarantee shall be subordinated or *pari passu*, as applicable, to the same extent as the Indebtedness guaranteed;
- (xi) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is extinguished within five (5) Business Days of its Incurrence;
- (xii) to the extent constituting Indebtedness, agreements to pay service fees to professionals (including architects, engineers, contractors and designers) in furtherance of and/or in connection with the Property or agreements to pay fees and expenses or other amounts pursuant to the Services and Right to Use Agreement or the MSA or otherwise arising under the Services and Right to Use Agreement or the MSA in the ordinary course of business; *provided that* no such agreements shall give rise to Indebtedness for borrowed money;

- (xiii) Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from guarantees or letters of credit, surety bonds, or performance bonds securing any obligation of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor pursuant to such agreements, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or Capital Stock of a Restricted Subsidiary, other than guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition; *provided that* the maximum aggregate liability in respect of all such Indebtedness shall at no time exceed the gross proceeds actually received in connection with such disposition;
 - (xiv) Obligations in respect of Shareholder Subordinated Debt;
 - (xv) any guarantees made solely in connection with (and limited in scope to) the giving of a Lien of the type specified in clause (22) of “Permitted Liens” to secure Indebtedness of an Unrestricted Subsidiary, the only recourse of which to the Parent Guarantor and its Restricted Subsidiaries is to the Equity Interests subject to the Liens;
 - (xvi) the Incurrence by the Parent Guarantor, the Company or the Subsidiary Guarantors of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (xvi), not to exceed US\$100.0 million; and
 - (xvii) the Incurrence by the Company or the Subsidiary Guarantors of additional Indebtedness in respect of the Phase II Project in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness Incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness Incurred pursuant to this clause (xvii), not to exceed the greater of (x) 75% of the EBITDA of the Company for the most recently ended four full fiscal quarters for which internal financial statements are available (which figure shall be based on audited financial information, if for an annual period) and (y) US\$350.0 million.
- (c) The Parent Guarantor and the Company will not Incur, and the Parent Guarantor will not permit any Subsidiary Guarantor to Incur, any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Parent Guarantor, the Company or such Subsidiary Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the Facilities Liabilities on substantially identical terms; *provided*, however, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Parent Guarantor, the Company or any Subsidiary Guarantor solely by virtue of being unsecured or by virtue of being secured on a first or junior Lien basis.
- (d) For purposes of determining compliance with this Section 4, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (b)(i) through (xvii) above, or is entitled to be Incurred pursuant to clause (a) above, the Parent Guarantor and the Company will be permitted to classify such item of Indebtedness on the date of its Incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this Section 4. The accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of Preferred Stock as Indebtedness due to a change in accounting principles, and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock will not be deemed to be an Incurrence of Indebtedness or an issuance of Disqualified Stock for purposes of this Section 4; *provided*, in each such case, that the amount of any such accrual, accretion or payment is included in Fixed Charges of the Parent Guarantor as accrued. Notwithstanding any other provision of this Section 4, the maximum amount of Indebtedness that the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor may Incur pursuant to this Section 4 shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

- (e) Further, for purposes of determining compliance with this covenant, to the extent the Parent Guarantor or any of its Restricted Subsidiaries (including the Company) guarantees Indebtedness of a direct or indirect parent entity to the extent otherwise permitted by this covenant, the on-loan by such direct or indirect parent entity to the Parent Guarantor or any of its Restricted Subsidiaries of all or a portion of the principal amount of such Indebtedness will not be double counted.
- (f) The amount of any Indebtedness outstanding as of any date will be:
 - (i) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;
 - (ii) the principal amount of the Indebtedness, in the case of any other Indebtedness; and
 - (iii) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:
 - (A) the Fair Market Value of such assets at the date of determination; and
 - (B) the face amount of the Indebtedness of the other Person.

5. Asset Sales

- (a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale (other than an Event of Loss), unless:
 - (i) the Parent Guarantor, the Company or such Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value of the assets or Equity Interests issued or sold or otherwise disposed of; and
 - (ii) at least 75% of the consideration received in the Asset Sale by the Parent Guarantor, the Company or such Restricted Subsidiary is in the form of cash. For purposes of this provision, each of the following will be deemed to be cash:
 - (A) any liabilities, as shown on the Parent Guarantor's most recent consolidated balance sheet, of the Parent Guarantor or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the Facilities Liabilities) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Parent Guarantor or such Restricted Subsidiary from further liability;

- (B) any securities, notes or other Obligations received by the Parent Guarantor or any such Restricted Subsidiary from such transferee that are, within 30 days of the receipt thereof, converted by the Parent Guarantor or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion; and
 - (C) any stock or assets of the kind referred to in Section 5(b)(ii) or (iv).
- (b) Within 360 days after the receipt of any Net Proceeds from an Asset Sale (including an Event of Loss), the Parent Guarantor, the Company or the applicable Restricted Subsidiary, as the case may be may apply such Net Proceeds:
 - (i) to repay (A) Indebtedness Incurred under Section 4(b)(i)(A), Section 4(b)(iii)(A) or Section 4(b)(xvii), and, in each case, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto (B) other Indebtedness of the Parent Guarantor, the Company or a Subsidiary Guarantor secured by property and assets that do not constitute Collateral and that are the subject of such Asset Sale, and, in each case, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto or (C) Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor;
 - (ii) to acquire all or substantially all of the assets of another Permitted Business, or any Capital Stock of, a Person undertaking another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary of the Parent Guarantor; *provided that* (A) such acquisition funded with any proceeds from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to acquire such assets or Capital Stock is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss, and (B) if such acquisition is not consummated within the period set forth in clause (A), the Net Proceeds not so applied will be deemed to be Excess Proceeds;
 - (iii) to make a capital expenditure; *provided that* any such capital expenditure funded with any proceeds from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to make such capital expenditure is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss;
 - (iv) to acquire other assets that are not classified as current assets under U.S. GAAP and that are used or useful in a Permitted Business (*provided that* (A) such acquisition funded from an Event of Loss occurs within the date that is 545 days after receipt of the Net Proceeds from the relevant Event of Loss to the extent that a binding agreement to acquire such assets is entered into on or prior to the date that is 360 days after receipt of the Net Proceeds from the relevant Event of Loss, and (B) if such acquisition is not consummated within the period set forth in clause (A), the Net Proceeds not so applied will be deemed to be Excess Proceeds); and/or
 - (v) or enter into a binding commitment regarding clauses (ii), (iii) or (iv) above (in addition to the binding commitments expressly referenced in those clauses); *provided that* such binding commitment shall be treated as a permitted application of Net Proceeds from the date of such commitment until the earlier of (x) the date on which such acquisition or expenditure is consummated and (y) the 180th day following the expiration of the aforementioned 360-day period. To the extent such acquisition or expenditure is not consummated on or before such 180th day and the Parent Guarantor, the Company or such Restricted Subsidiary shall not have applied such Net Proceeds pursuant to clauses (ii), (iii) or (iv) above on or before such 180th day, such commitment shall be deemed not to have been a permitted application of Net Proceeds, and such Net Proceeds will constitute Excess Proceeds.

- (c) Pending the final application of any Net Proceeds, the Parent Guarantor may temporarily reduce its or any of its Restricted Subsidiaries' revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by this Agreement.
6. Transactions with Affiliates
- (a) The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Parent Guarantor or the Company (each, an "**Affiliate Transaction**"), unless:
- (i) the Affiliate Transaction is on terms that are no less favorable to the Parent Guarantor, the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Parent Guarantor, the Company or such Restricted Subsidiary with a Person that is not an Affiliate of the Parent Guarantor or the Company; and
- (ii) the Parent Guarantor or the Company delivers to the Agent:
- (A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US\$55.0 million, a resolution of the Board of Directors of the Parent Guarantor or the Company set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with this Section 6(a) and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Parent Guarantor or the Company (as the case may be) or, if the Board of Directors of the Parent Guarantor or the Company (as the case may be) has no disinterested directors, approved in good faith by a majority of the members (or in the case of a single member, the sole member) of the Board of Directors of the Parent Guarantor or the Company (as applicable); and
- (B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of US\$70.0 million, an opinion as to the fairness to the Parent Guarantor, the Company or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of international standing, or other recognized independent expert of national standing with experience appraising the terms and conditions of the type of transaction or series of related transactions.

- (b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 6(a) hereof:
- (i) any employment agreement, employee benefit plan (including compensation, retirement, disability, severance and other similar plan), officer or director indemnification, stock option or incentive plan or agreement, employee equity subscription agreement or any similar arrangement entered into by the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business and payments pursuant thereto;
 - (ii) transactions between or among the Parent Guarantor and/or its Restricted Subsidiaries;
 - (iii) transactions with a Person (other than an Unrestricted Subsidiary) that is an Affiliate of the Parent Guarantor or the Company solely because the Parent Guarantor or the Company (as the case may be) owns directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;
 - (iv) payment of reasonable officers' and directors' fees and reimbursement of expenses (including the provision of indemnity to officers and directors) to Persons who are not otherwise Affiliates of the Parent Guarantor or the Company;
 - (v) any issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor to Affiliates of the Parent Guarantor or contribution to the common equity capital of the Parent Guarantor;
 - (vi) Restricted Payments (including any payments made under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA) that do not violate Section 2 hereof;
 - (vii) any agreement or arrangement existing on the date of the 2024 Amendment and Restatement Agreement, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals (so long as any such agreement or arrangement together with all such amendments, modifications, supplements, extensions, replacements, terminations and renewals, taken as a whole, is not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the original agreement or arrangement as in effect on the date of the 2024 Amendment and Restatement Agreement, unless any such amendments, modifications, supplements, extensions, replacements, terminations or renewals are imposed by any Gaming Authority or any other public authority, in each case having jurisdiction over the Studio City Casino, Melco Resorts Macau (or any other operator of the Studio City Casino), the Parent Guarantor or any of its Restricted Subsidiaries, including, but not limited to, the government of the Macau SAR);
 - (viii) loans or advances to employees (including personnel who provide services to the Parent Guarantor or any of its Restricted Subsidiaries pursuant to the MSA) in the ordinary course of business not to exceed US\$2.0 million in the aggregate at any one time outstanding;
 - (ix) [Reserved];

- (x) (A) transactions or arrangements under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof (so long as the Services and Right to Use Agreement and the Reinvestment Agreement, taken as a whole, or the MSA, respectively, together with all such amendments, modifications, supplements, extensions, replacements, terminations and renewals, taken as a whole, is not materially more disadvantageous to the Parent Guarantor and its Restricted Subsidiaries, taken as a whole, than the Services and Right to Use Agreement and the Reinvestment Agreement, taken as a whole, or the MSA, respectively, as in effect on the date of the 2024 Amendment and Restatement Agreement or, as determined in good faith by the Board of Directors of the Parent Guarantor, does not have and would not reasonably be expected to have a Material Adverse Effect under paragraph (b) of the definition of “Material Adverse Effect” only) and (B) other than with respect to transactions or arrangements subject to clause (A) above, transactions or arrangements with customers, clients, suppliers or sellers of goods or services in the ordinary course of business, on terms that are fair to the Parent Guarantor or any of its Restricted Subsidiaries, as applicable, or are no less favorable than those that might reasonably have been obtained in a comparable transaction at such time on an arms-length basis from a Person that is not an Affiliate of the Parent Guarantor or the Company, in the case of each of (A) and (B), unless any such amendments, modifications, supplements, extensions, replacements, terminations or renewals are imposed by any Gaming Authority or any other public authority having jurisdiction over Melco Resorts Macau (or any other operator of the Studio City Casino), the Parent Guarantor or any of its Restricted Subsidiaries, including, but not limited to, the government of the Macau SAR;
- (xi) [Reserved];
- (xii) transactions or arrangements to be entered into in connection with the Property in the ordinary course of business (including, for the avoidance of doubt, transactions or arrangements necessary to conduct a Permitted Business) including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof; *provided that* such transactions or arrangements must comply with clauses (a)(i) and (a)(ii)(A) of Section 6 hereof;
- (xiii) transactions or arrangements duly approved by the Audit and Risk Committee of Studio City International (or any other committee of the board of directors of Studio City International so long as such committee consists entirely of independent directors) and the Company delivers to the Trustee a copy of the resolution of the Audit and Risk Committee of Studio City International (or, if applicable, such other committee) annexed to an Officer’s Certificate certifying that such Affiliate Transaction complies with this clause (xiii) and that such Affiliate Transaction has been duly approved by the Audit and Risk Committee of Studio City International (or, if applicable, such other committee);
- (xiv) execution, delivery and performance of any tax sharing agreement or the formation and maintenance of any consolidated group for tax, accounting or cash pooling or management purposes; and
- (xv) provision by, between, among, to or from Persons who may be deemed Affiliates of group administrative, treasury, legal, accounting and similar services.

7. Liens

The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind securing Indebtedness on any asset now owned or hereafter acquired or any proceeds, income or profits therefrom or assign or convey any right to receive income therefrom, except Permitted Liens, or if such Lien is not a Permitted Lien, unless the Indebtedness incurred under the Facilities (as defined in Clause 1.1 (*Definitions*) of this Agreement) are secured on a *pari passu* basis with the obligations so secured until such time as such obligations are no longer secured by a Lien.

8. Business Activities

The Parent Guarantor and the Company will not, and the Parent Guarantor will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Business, except to such extent as would not be material to the Parent Guarantor and its Restricted Subsidiaries (taken as a whole).

9. Corporate Existence

Subject to Section 13 hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect:

- (a) its corporate existence, and the corporate, partnership or other existence of each of its Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Subsidiary; and
- (b) the rights (charter and statutory), licenses and franchises of the Company and its Subsidiaries; *provided*, however, that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Subsidiaries, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Lenders.

10. Designation of Restricted and Unrestricted Subsidiaries

- (a) The Board of Directors of the Parent Guarantor may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default; *provided that* in no event will the business currently operated by the Company, Studio City Developments Limited, SCE or Studio City Hotels Limited be transferred to or held by an Unrestricted Subsidiary. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Parent Guarantor and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under Section 2 hereof or under one or more clauses of the definition of Permitted Investments, as determined by the Parent Guarantor. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Parent Guarantor may re-designate any Unrestricted Subsidiary to be a Restricted Subsidiary if that re-designation would not cause a Default.
- (b) Any designation of a Subsidiary of the Parent Guarantor as an Unrestricted Subsidiary will be evidenced to the Agent by filing with the Agent a certified copy of a resolution of the Board of Directors of the Parent Guarantor giving effect to such designation and an Officer's Certificate of the Parent Guarantor certifying that such designation complied with the preceding conditions and was permitted by Section 2 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of this Agreement and any Indebtedness of such Subsidiary will be deemed to be Incurred by a Restricted Subsidiary of the Parent Guarantor as of such date and, if such Indebtedness is not permitted to be Incurred as of such date under Section 4 hereof, the Parent Guarantor and the Company will be in Default of such covenant. The Board of Directors of the Parent Guarantor may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Parent Guarantor; *provided that* such designation will be deemed to be an Incurrence of Indebtedness by a Restricted Subsidiary of the Parent Guarantor of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under Section 4 hereof, calculated on a *pro forma* basis as if such designation had occurred at the beginning of the reference period; and (2) no Default or Event of Default would be in existence following such designation. On such designation, the Parent Guarantor shall deliver an Officer's Certificate of the Parent Guarantor to the Agent regarding such designation and certifying that such designation complies with the preceding conditions and the relevant covenants under this Agreement.

11. Impairment of Security Interest

- (a) Subject to clauses (b) and (c) below, the Parent Guarantor and the Company will not, and the Parent Guarantor will not cause or permit any of its Restricted Subsidiaries to, take or knowingly omit to take, any action which action or omission would have the result of materially impairing the security interest over any of the assets comprising the Collateral (it being understood that the incurrence of Liens on the Collateral permitted by the last paragraph of the definition of Permitted Liens shall under no circumstances be deemed to materially impair the security interest with respect to the Collateral), for the benefit of the Agent, the Intercreditor Agent, the Common Security Agent and the Lenders (including the priority thereof).
- (b) Subject to the terms and conditions of the Intercreditor Agreement, at the request of the Parent Guarantor and without the consent of any Finance Party, the Agent may from time to time direct the Intercreditor Agent and/or the Common Security Agent (or direct the Intercreditor Agent to direct the Common Security Agent) to (and, acting on such direction the Intercreditor Agent and/or the Common Security Agent may, to the extent authorized and permitted by the Intercreditor Agreement) enter into one or more amendments to the Transaction Security Documents to: (i) cure any ambiguity, omission, defect or inconsistency therein; (ii) provide for any Permitted Liens; (iii) add to the Collateral or (iv) make any other change thereto that does not adversely affect the Lenders in any material respect; provided, however, that no Security Document may be amended, extended, renewed, restated, supplemented or otherwise modified or replaced, unless contemporaneously with such amendment, extension, renewal, restatement, supplement, modification or replacement, the Parent Guarantor delivers to the Agent, any of:
 - (i) a solvency opinion, in form satisfactory to the Agent, from an Independent Financial Advisor confirming the solvency of the Parent Guarantor and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement;
 - (ii) a customary certificate from the Board of Directors or chief financial officer of the Parent Guarantor (acting in good faith), confirming the solvency of the Person granting such Lien after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement; or

- (iii) an opinion of counsel, in form satisfactory to the Agent confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement, the Lien or Liens securing any of the Facilities Liabilities created under the Transaction Security Documents as so amended, extended, renewed, restated, supplemented, modified or replaced remain valid and perfected Liens not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification, replacement or release and retaking.
 - (c) Nothing in this Section 11 will restrict and clause (b) above will not apply to (x) any release, amendment, extension, renewal, restatement, supplement, modification or replacement of any security interests in compliance with provisions of the Finance Documents governing the release of the Transaction Security, (y) any Permitted Land Concession Amendment or (z) any release, amendment, extension, renewal, restatement, supplement, modification or replacement of any security interests in connection with any Compliance Sale.
 - (d) Subject to the terms and conditions of the Intercreditor Agreement, in the event that the Parent Guarantor complies with Section 11, the Agent and/or the Common Security Agent, as applicable, shall (or, if applicable, shall direct the Intercreditor Agent to) (subject to customary protections and indemnifications) consent to such amendment, extension, renewal, restatement, supplement, modification, replacement or release with no need for instructions from any Finance Party; provided such amendments do not impose any personal obligations on the Agent and/or the Common Security Agent and/or the Intercreditor Agent or adversely affect the rights, duties, liabilities or immunities of the Agent and/or the Common Security Agent and/or the Intercreditor Agent under the Finance Documents.
12. Suspension of Covenants
- (a) In this Section 12, “**Rated Liability**” means (i) any Financial Indebtedness outstanding under the Senior Secured 2027 Note Indenture or (ii) any Financial Indebtedness outstanding under any Pari Passu Debt Document in an aggregate principal amount of at least US\$400,000,000 and that is rated by S&P or Moody’s.
 - (b) The following covenants (the “**Suspended Covenants**”) will not apply during any period during which all of the Rated Liabilities have an Investment Grade Status (a “**Suspension Period**”): Sections 2, 3, 4, 5, 6, 11 and (with respect to the Parent Guarantor and the Company) 13(a)(iii). Additionally, during any Suspension Period, neither the Parent Guarantor nor the Company will designate any Restricted Subsidiary as an Unrestricted Subsidiary. For the avoidance of doubt, a Suspension Period will not apply if there are no Rated Liabilities.
 - (c) In the event that the Parent Guarantor and its Restricted Subsidiaries are not subject to the Suspended Covenants for any period of time as a result of clause (b) above, and on any subsequent date (the “**Reversion Date**”) any Rated Liability ceases to have Investment Grade Status (or there cease to be any Rated Liabilities), then the Suspended Covenants will apply with respect to events occurring following the Reversion Date (unless and until a Suspension Period applies again, in which case the Suspended Covenants will again be suspended for such time that there are Rated Liabilities and all of the Rated Liabilities have an Investment Grade Status); *provided*, however, that no Default or Event of Default will be deemed to exist under this Agreement with respect to the Suspended Covenants, and none of the Parent Guarantor, the Company or any of their respective Subsidiaries will bear any liability for any actions taken or events occurring during a Suspension Period and before any related Reversion Date, or any actions taken at any time pursuant to any contractual obligation or binding commitment arising prior to such Reversion Date, regardless of whether those actions or events would have been permitted if the applicable Suspended Covenant had remained in effect during such period. The Company shall notify the Agent should a Suspension Period commence; *provided that* such notification shall not be a condition for the suspension of the covenants set forth above to be effective. The Agent shall have no duty to (i) monitor the Investment Grade Status of any Rated Liabilities, or (ii) ascertain whether either a Suspension Period or Reversion Date has occurred. The Agent shall be under no obligation to notify the Lenders that any Rated Liabilities have achieved Investment Grade Status.

- (d) On each Reversion Date, all Indebtedness Incurred during the Suspension Period prior to such Reversion Date will be deemed to be Indebtedness existing on the date of the 2024 Amendment and Restatement Agreement. For purposes of calculating the amount available to be made as Restricted Payments under paragraph (C) in the list of exceptions to the covenant set out in Section 2(a) on or after the Reversion Date, calculations under such paragraph shall be made as though such covenant had been in effect during the entire period of time since the date of the 2024 Amendment and Restatement Agreement (including the Suspension Period). Restricted Payments made during the Suspension Period not otherwise permitted pursuant to any of clauses (ii) through (vi) or (xviii) under Section 2(b) above will reduce the amount available to be made as Restricted Payments under clause paragraph (C) in the list of exceptions to the covenant set out in Section 2(a); *provided that* the amount available to be made as Restricted Payments on the Reversion Date shall not be reduced to below zero solely as a result of such Restricted Payments. In addition, for purposes of the other Suspended Covenants, all agreements entered into and all actions taken during the Suspension Period, including, without limitation, the Incurrence of Indebtedness shall be deemed to have been taken or to have existed prior to the date of the 2024 Amendment and Restatement Agreement.

13. Merger, Consolidation, or Sale of Assets

- (a) Neither the Parent Guarantor nor the Company will, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Parent Guarantor or the Company survives); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person unless:
- (i) either:
- (A) if the transaction or series of transactions is a consolidation of the Parent Guarantor or the Company with or a merger of the Parent Guarantor or the Company with or into any other Person, the Parent Guarantor or the Company, as the case may be, shall be the surviving entity of such merger or consolidation; or
- (B) the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor or the Company) or to which such sale, assignment, transfer, conveyance or other disposition has been made shall be a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong SAR, Macau SAR, Singapore, United States, any state of the United States or the District of Columbia, and such Person shall expressly assume all the Obligations of the Parent Guarantor or the Company (as the case may be) under the Finance Documents pursuant to such accession documents or agreements that are reasonably satisfactory to the Agent, the Common Security Agent and the Intercreditor Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Liens created under the Transaction Security Documents on the Collateral owned by or transferred to the surviving Person;

- (ii) immediately after such transaction, no Default or Event of Default exists;
 - (iii) the Parent Guarantor or the Company or, if applicable, the Person formed by or surviving any such consolidation or merger (if other than the Parent Guarantor or the Company), or to which such sale, assignment, transfer, conveyance or other disposition has been made, would, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period, be permitted to Incur at least US\$1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4(a) hereof; and
 - (iv) Clauses 22.10 ("*Know your customer*" checks) and 27 (*Changes to the Obligors*) of this Agreement are satisfied.
- (b) Subject to the Finance Documents, no Subsidiary Guarantor will, and the Parent Guarantor will not permit any Subsidiary Guarantor to, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not such Subsidiary Guarantor survives); or (2) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of such Subsidiary Guarantor in one or more related transactions, to another Person, unless:
- (i) either:
 - (A) if the transaction or series of transactions is a consolidation of such Subsidiary Guarantor with or a merger of such Subsidiary Guarantor with or into any other Person, such Subsidiary Guarantor shall be the surviving entity of such consolidation or merger; or
 - (B) the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) or to which such sale, assignment, transfer, conveyance or other disposition has been made shall be a corporation organized and existing under the laws of the British Virgin Islands, Cayman Islands, Hong Kong SAR, Macau SAR, Singapore, United States, any state of the United States or the District of Columbia, and such Person shall expressly assume all the Obligations of such Subsidiary Guarantor under the Finance Documents pursuant to such accession documents or agreements that are reasonably satisfactory to the Agent, the Common Security Agent and the Intercreditor Agent, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Liens created under the Transaction Security Documents on the Collateral owned by or transferred to the surviving Person;
 - (ii) immediately after such transaction, no Default or Event of Default exists; and

(iii) Clauses 22.10 ("*Know your customer*" checks) and 27 (*Changes to the Obligors*) of this Agreement are satisfied, *provided*, however, that the provisions of this Section 13(b) shall not apply if such Subsidiary Guarantor is released from its obligations as a Guarantor as a result of such consolidation, merger, sale or other disposition pursuant to the Finance Documents.

(c) This Section 13 will not apply to:

- (i) a merger of the Company or a Guarantor, as the case may be, with an Affiliate solely for the purpose of reincorporating the Company or a Guarantor, as the case may be, in another jurisdiction; or
- (ii) any consolidation or merger, or any sale, assignment, transfer, conveyance, or other disposition of assets between or among the Company and the Guarantors or between or among the Guarantors.

(d) Upon consummation of any consolidation or merger, or any sale, assignment, transfer, conveyance, or other disposition of assets by a Subsidiary Guarantor with or into the Company or another Guarantor in accordance with this Section 13 which results in a Subsidiary Guarantor distributing all of its assets (other than *de minimis* assets required by law to maintain its corporate existence) to the Company or another Guarantor, such transferring Subsidiary Guarantor may be wound up pursuant to a solvent liquidation or solvent reorganization; *provided that* it shall have no third party recourse Indebtedness or be the obligor under any intercompany Indebtedness.

Schedule 11
Definitions

“2025 Notes” means:

(1) the USD500,000,000 aggregate principal amount of 6.000% senior notes due 2025 issued by the Senior Notes Issuer as issuer pursuant to the 2025 Notes Indenture; and

(2) any additional notes issued by the Senior Notes Issuer as issuer pursuant to the 2025 Notes Indenture as part of the same series of the senior notes issued under paragraph (1) above, provided that the Senior Notes Issuer and the Parent Guarantor have confirmed to the Agent in writing that the incurrence of those notes will not breach the terms of any of the Finance Documents or any of the then existing Secured Obligations Documents.

“2025 Notes Guarantees” means the “Notes Guarantee” as defined in the 2025 Notes Indenture.

“2025 Notes Indenture” means the indenture governing the 2025 Notes dated July 15, 2020 and made between, among others, the Senior Notes Issuer and the 2025 Notes Trustee, as amended or supplemented from time to time.

“2025 Notes Trustee” means the notes trustee in respect of the 2025 Notes.

“2028 Notes” means:

(1) the USD500,000,000 aggregate principal amount of 6.500% senior notes due 2028 issued by the Senior Notes Issuer as issuer pursuant to the 2028 Notes Indenture; and

(2) any additional notes issued by the Senior Notes Issuer as issuer pursuant to the 2028 Notes Indenture as part of the same series of the senior notes issued under paragraph (1) above, provided that the Senior Notes Issuer and the Parent Guarantor have confirmed in writing to the Agent that the incurrence of those notes will not breach the terms of any of the Finance Documents or any of the then existing Secured Obligations Documents.

“2028 Notes Guarantees” means the “Notes Guarantee” as defined in the 2028 Notes Indenture.

“2028 Notes Indenture” means the indenture governing the 2028 Notes dated July 15, 2020 and made between, among others, the Senior Notes Issuer and the 2028 Notes Trustee, as amended or supplemented from time to time.

“2028 Notes Trustee” means the notes trustee in respect of the 2028 Notes.

“2029 Notes” means:

(1) the USD750,000,000 aggregate principal amount of 5.000% senior notes due 2029 issued by the Senior Notes Issuer as issuer pursuant to the 2029 Notes Indenture; and

(2) any additional notes issued by the Senior Notes Issuer as issuer pursuant to the 2029 Notes Indenture as part of the same series of the senior notes issued under paragraph (1) above, provided that the Senior Notes Issuer and the Parent Guarantor have confirmed in writing to the Agent that the incurrence of those notes will not breach the terms of any of the Finance Documents or any of the then existing Secured Obligations Documents.

“2029 Notes Guarantees” means the “Note Guarantee” as defined in the 2029 Notes Indenture.

“2029 Notes Indenture” means the indenture governing the 2029 Notes dated January 14, 2021 and made between, among others, the Senior Notes Issuer and the 2029 Notes Trustee, as amended or supplemented from time to time.

“2029 Notes Trustee” means the notes trustee in respect of the 2029 Notes.

“Acquired Indebtedness” means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is Incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

“Additional Intercreditor Agreement” means any intercreditor agreement entered into in connection with the Incurrence of any Indebtedness that is permitted to share the Collateral or that is otherwise permitted to be incurred under the Finance Documents, by the Company, the relevant Guarantors, the Agent, the Security Agent and the Intercreditor Agent (without the consent of the Finance Parties) on terms substantially similar to the Intercreditor Agreement (or on terms more favorable to the Finance Parties) or an accession or amendment to or an amendment and restatement of the Intercreditor Agreement (which accession or amendment does not adversely affect the rights of the Finance Parties).

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, “control,” as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; *provided that* beneficial ownership of 10% or more of the Voting Stock of a Person will be deemed to be control. For purposes of this definition, the terms “controlling,” “controlled by” and “under common control with” have correlative meanings.

“Asset Sale” means:

(1) the sale, lease, conveyance or other disposition of any assets or rights; *provided that* the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries taken as a whole will be governed by Clause 9.2 (*Change of Control, Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event*) of this Agreement and/or the provisions of this Agreement described in Section 13 of Schedule 10 (*Covenants*) and not by the provisions of Section 5 of Schedule 10 (*Covenants*);

(2) the issuance of Equity Interests in any of the Restricted Subsidiaries of the Parent Guarantor or the sale of Equity Interests in any of the Parent Guarantor’s Subsidiaries; and

(3) any Event of Loss.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than US\$5.0 million;

(2) a transfer of assets between or among the Parent Guarantor and its Restricted Subsidiaries;

(3) an issuance of Equity Interests by a Restricted Subsidiary of the Parent Guarantor to the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor;

(4) the sale, license, transfer, lease (including the right to use) or other disposal of products, services, rights, accounts receivable, undertakings, establishments or other current assets or cessation of any undertaking or establishment in the ordinary course of business (including pursuant to any shared services agreements (including the MSA), Revenue Sharing Agreement or any construction and development activities) and any sale or other disposition of damaged, worn-out, surplus or obsolete assets (or the dissolution of any Dormant Subsidiary) in the ordinary course of business;

(5) the sale or other disposition of cash or Cash Equivalents;

(6) any transfer, termination or unwinding or other disposition of Hedging Obligations in the ordinary course of business;

(7) a transaction covered under Clause 9.2 (*Change of Control, Concession-Related Mandatory Prepayment Event and Disposal Prepayment Event*) of this Agreement or Section 13 of Schedule 10 (*Covenants*);

(8) the lease of, right to use or equivalent interest under the laws of Macau SAR on that portion of real property granted to Studio City Developments Limited pursuant to the applicable land concession granted by the government of the Macau SAR in connection with the development of the Phase II Project in accordance with such applicable land concession;

(9) a Restricted Payment that does not violate the provisions of Section 2 of Schedule 10 (*Covenants*) or a Permitted Investment, and any other payment under the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA and any transactions or arrangements involving contractual rights under, pursuant to or in connection with the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals thereof;

(10) (i) the lease, sublease, license or right to use of any portion of the Property to persons who, either directly or through Affiliates of such persons, intend to develop, operate or manage gaming, hotel, nightclubs, bars, restaurants, malls, amusements, attractions, recreation, spa, pool, exercise or gym facilities, or entertainment facilities or venues or retail shops or venues or similar or related establishments or facilities within the Property and (ii) the grant of declarations of covenants, conditions and restrictions and/or easements or other rights to use with respect to common area spaces and similar instruments benefiting such tenants of such lease, subleases licenses and rights to use generally and/or entered into connection with the Property (collectively, the “*Venue Easements*”); *provided that* no Venue Easements or operations conducted pursuant thereto would reasonably be expected to materially interfere with, or materially impair or detract from, the operation of the Property;

(11) the dedication of space or other dispositions of property in connection with and in furtherance of constructing structures or improvements reasonably related to the development, construction and operation of the Property; *provided that* in each case such dedication or other disposition is in furtherance of, and does not materially impair or interfere with the use or operations (or intended use or operations) of, the Property;

(12) the granting of easements, rights of way, rights of access and/or similar rights to any governmental authority, utility providers, cable or other communication providers and/or other parties providing services or benefits to the Property, the real property held by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor or the public at large that would not reasonably be expected to interfere in any material respect with the construction, development or operation of the Property;

(13) the granting of a lease, right to use or equivalent interest to Melco Resorts Macau or Melco Resorts or any of its Affiliates for purposes of operating a gaming facility at Studio City, including under the Services and Right to Use Agreement and any related agreements, or any transactions or arrangements contemplated thereby;

(14) the grant of licenses to intellectual property rights to third Persons (other than Affiliates of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor) on an arm's length basis in the ordinary course of business or to Melco Resorts Macau, Melco Resorts and its Affiliates in the ordinary course of business;

(15) any Compliance Sale, provided that the following conditions are satisfied:

(A) the Company, the Parent Guarantor or a Restricted Subsidiary, as the case may be, receives consideration at the time of such Compliance Sale equal to (i) such price as is necessary or appropriate under or in connection with the applicable Gaming Law, as determined by the Board of Directors of the Company in good faith, evidenced by an Officer's Certificate delivered by the Company to the Agent; or alternatively (ii) the Fair Market Value of the assets or rights sold, transferred or otherwise disposed of; and

(B) to the extent applicable, such Compliance Sale is consummated in compliance with the terms of the covenant set forth under Section 6 (*Transactions with Affiliates*) of Schedule 10 (*Covenants*);

(16) transfers, assignments or dispositions constituting an Incurrence of a Permitted Lien (but not the actual sale or other disposition of the property subject to such Lien); and

(17) any surrender or waiver of contractual rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business.

"*Beneficial Owner*" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning.

"*Board of Directors*" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"*Business Day*" means any day other than a Legal Holiday.

“*Capital Lease Obligation*” means, at the time any determination is to be made, the amount of the liability in respect of a finance or capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with U.S. GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

“*Capital Stock*” means:

- (1) in the case of a corporation, corporate stock or shares;
- (2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;
- (3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and
- (4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

“*Cash Equivalents*” means:

- (1) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (*provided that* the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than six months from the date of acquisition;
- (2) demand deposits, certificates of deposit, time deposits and eurodollar time deposits with maturities of 12 months or less from the date of acquisition, bankers’ acceptances with maturities not exceeding six months and overnight bank deposits, in each case, with any commercial bank organized under the laws of Macau SAR, Hong Kong SAR, a member state of the European Union or of the United States of America or any state thereof having capital and surplus in excess of US\$500.0 million (or the foreign currency equivalent thereof as of the date of such investment) and whose long-term debt is rated “A-3” or higher by Moody’s or “A-” or higher by S&P or the equivalent rating category or another internationally recognized rating agency (or, in case of any interest reserve or accrual account or debt service reserve account operated in respect of any *Pari Passu* Debt Liabilities, any bank which the Company maintains such account, in each case pursuant to the terms of the document governing such account);
- (3) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (1) and (2) above entered into with any financial institution meeting the qualifications specified in clause (2) above;
- (4) commercial paper having one of the two highest ratings obtainable from Moody’s or S&P and, in each case, maturing within 12 months after the date of acquisition; and
- (5) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (4) of this definition.

“*Casualty*” means any casualty, loss, damage, destruction or other similar loss with respect to real or personal property or improvements.

“Change of Control” means the occurrence of any of the following:

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Parent Guarantor and its Subsidiaries taken as a whole to any “person” or “group” (as such terms are used in Section 13(d) of the Exchange Act) (other than Melco Resorts or a Related Party of Melco Resorts);

(2) the adoption of a plan relating to the liquidation or dissolution of the Parent Guarantor or the Company;

(3) the first day on which:

- (a) (i) for so long as Melco Resorts is authorized by the relevant Gaming Authority (and not prohibited by any other applicable Governmental Authority) to hold less than 50.1% of the outstanding Equity Interests in Studio City International, Melco Resorts ceases to own, directly or indirectly, at least the greater of (x) such lesser percentage as the relevant Gaming Authority or other applicable Governmental Authority shall specify and (y) 35%, of the outstanding Equity Interests and/or Voting Stock of each of the Parent Guarantor and SCH5 (and any Person which becomes a “Golden Shareholder” and/or a “Preference Holder” under the Direct Agreement pursuant to the terms thereof, if any (each, a “**Relevant DA Person**”)) or (ii) in the event paragraph (a)(i) above does not apply, Melco Resorts ceases to own, directly or indirectly, a majority of the outstanding Equity Interests and/or Voting Stock of each of the Parent Guarantor, SCH5 and any Relevant DA Person;
- (b) Melco Resorts ceases to own, directly or indirectly, 50.1% or more of the outstanding Equity Interests in Melco Resorts Macau (or another operator of the Studio City Casino); or
- (c) Melco Resorts ceases to have, directly or indirectly (through a Subsidiary), the power to nominate a number of directors on the Board of Directors of the Parent Guarantor who are entitled to cast a majority of the votes which may be cast at a meeting of the Board of Directors of the Parent Guarantor; or

(4) the first day on which the Parent Guarantor ceases to:

- (a) own, directly or indirectly (through a subsidiary), 100% of the outstanding Equity Interests and/or Voting Stock of the Company; or
- (b) have, directly or indirectly (through a Subsidiary), the power to nominate a number of directors on the Board of Directors of the Company who are entitled to cast a majority of the votes which may be cast at a meeting of the Board of Directors of the Company.

“Collateral” means the Charged Property and other rights, property and assets securing the Facilities Liabilities and any rights, property and assets in which a security interest has been or will be granted on 1 December 2016 or thereafter to secure the Facilities Liabilities.

“Common Collateral” means the Collateral other than the Credit Specific Transaction Security.

“*Company*” means Studio City Company Limited, and any and all successors thereto.

“*Compliance Sale*” means a sale, transfer or disposition of that part of the Property comprising or elected to be added to the Studio City Casino, including any areas designated as or elected to be designated as gaming areas, gaming support areas and/or common areas, or a portion thereof, owned by Studio City Developments Limited which the Gaming Laws (as a result of such designation or election) then in effect require either the government of Macau or Melco Resorts Macau (or another gaming operator operating the Studio City Casino) to be the owner or joint-owner of and only to the extent so required, together with any rights associated thereto, to either the government of Macau or Melco Resorts Macau (or any other gaming operator operating the Studio City Casino), as applicable.

“*Condemnation*” means any taking by a Governmental Authority of assets or property, or any part thereof or interest therein, for public or quasi-public use under the power of eminent domain, by reason of any public improvement or condemnation or in any other manner.

“*Consolidated Net Income*” means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with U.S. GAAP; *provided that*:

(1) the Net Income (or loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions actually paid in cash to, or the amount of loss actually funded in cash by, the specified Person or a Restricted Subsidiary of the Person;

(2) the Net Income of any Restricted Subsidiary that is not a Subsidiary Guarantor will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders; *provided*, however, that Consolidated Net Income of the specified Person will be increased by the amount of dividends or similar contributions actually paid in cash (or to the extent converted into cash) to the specified Person or any of its Restricted Subsidiaries that is a Subsidiary Guarantor, to the extent not already included therein;

(3) the cumulative effect of a change in accounting principles will be excluded; and

(4) charges or expenses related to deferred financing fees and Indebtedness issuance costs, including related commissions, fees and expenses, premiums paid or other expenses incurred directly in connection with any early extinguishment of Indebtedness and any net gain (loss) from any write-off, extinguishment, repurchase, cancellation or forgiveness of Indebtedness will be excluded.

“*Credit Facilities*” means one or more debt facilities (including, without limitation, the Facilities), indentures or commercial paper facilities, in each case, with banks or other lenders providing for revolving credit loans, term loans, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables), letters of credit or other forms of Indebtedness, in each case, as amended, restated, modified, renewed, refunded, replaced (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to investors) in whole or in part from time to time; *provided* that in no event shall such amendment, restatement, modification, renewal, refunding, replacement or refinancing result in the Parent Guarantor and its Restricted Subsidiaries not having any debt facilities which would have the effect of impairing any security interest over any of the assets comprising the Collateral for the benefit of the Finance Parties (including the priority thereof).

“Credit-Specific Transaction Security” means:

(1) the Lien over the Facility A Cash Collateral Account; and

(2) the Lien over any interest reserve or accrual account or debt service reserve account operated in respect of any Pari Passu Debt Liabilities.

“Direct Agreement” means the direct agreement dated November 26, 2013, in relation to (a) the Services and Right to Use Agreement and (b) the Reinvestment Agreement, as amended, restated, modified, supplemented, extended, replaced (whether upon or after termination or otherwise or whether with the original or other relevant parties) or renewed in whole or in part from time to time.

“Disqualified Stock” means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the last Final Repayment Date of the Facilities. Notwithstanding the preceding sentence, any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Parent Guarantor to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Parent Guarantor may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with Section 2 of Schedule 10 (*Covenants*). The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Agreement will be the maximum amount that the Parent Guarantor may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

“Dormant Subsidiary” means a Restricted Subsidiary of the Parent Guarantor which does not trade (for itself or as agent for any other person) and does not own, legally or beneficially, assets (including, without limitation, Indebtedness owed to it) which in aggregate have a book value greater than US\$100,000 and has no third-party recourse Indebtedness or intercompany Indebtedness with the Parent Guarantor or any other Restricted Subsidiary.

“EBITDA” means, with respect to any Person for any period, the Consolidated Net Income of such Person for such period *plus*, without duplication:

(1) an amount equal to any extraordinary loss *plus* any net loss realized by such Person or any of its Restricted Subsidiaries in connection with an Asset Sale, to the extent such losses were deducted in computing such Consolidated Net Income; *plus*

(2) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; *plus*

(3) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; *plus*

(4) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period), of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash expenses were deducted in computing such Consolidated Net Income; *plus*

(5) any non-cash compensation charge arising from any grant of stock, stock options or other equity based awards; *plus*

(6) Pre-Opening Expenses, to the extent such expense were deducted in computing Consolidated Net Income; *plus*

(7) any goodwill or other intangible asset impairment charge; *plus*

(8) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business,

in each case, on a consolidated basis and determined in accordance with U.S. GAAP.

Notwithstanding the preceding, the provision for taxes based on the income or profits of, and the depreciation and amortization and other non-cash expenses of, a Restricted Subsidiary of the Parent Guarantor will be added to Consolidated Net Income to compute EBITDA of the Parent Guarantor only to the extent that a corresponding amount was included in the calculation of Consolidated Net Income.

“*Equity Interests*” means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

“*Equity Offering*” means any public sale or private issuance of Capital Stock (other than Disqualified Stock) of (1) the Parent Guarantor or (2) a direct or indirect parent of the Parent Guarantor to the extent the net proceeds from such issuance are contributed in cash to the common equity capital of the Parent Guarantor (in each case other than pursuant to a registration statement on Form S-8 or otherwise relating to equity securities issuable under any employee benefit plan of the Parent Guarantor).

“*Event of Loss*” means, with respect to the Parent Guarantor, the Company, any Subsidiary Guarantor or any Restricted Subsidiary of the Parent Guarantor that is a Significant Subsidiary, any (1) Casualty, (2) Condemnation or seizure (other than pursuant to foreclosure) or (3) settlement in lieu of clause (2) above, in each case having a fair market value in excess of US\$20.0 million.

“*Excess Proceeds*” means any Net Proceeds from Asset Sales that are not applied or invested as provided in Section 5(b) of Schedule 10 (*Covenants*).

“*Exchange Act*” means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

“*Excluded Contributions*” means the net cash proceeds received by the Parent Guarantor subsequent to the date of the 2024 Amendment and Restatement Agreement from:

(1) contributions to its common equity capital; and

(2) the issuance or sale (other than to a Subsidiary of the Parent Guarantor or to any Parent Guarantor or Subsidiary management equity plan or stock option plan or any other management or employee benefit plan or agreement) by the Parent Guarantor of shares of its Capital Stock (other than Disqualified Stock) or a share capital increase;

in each case, designated as Excluded Contributions on the date on which such Excluded Contributions were received pursuant to an Officer’s Certificate, and excluded from the calculation set forth in clause (C)(II) of Section 2(a) of Schedule 10 (*Covenants*).

“*Facilities Liabilities*” means the Liabilities (as defined in Clause 1.1 (*Definitions*) of this Agreement) owed by the Obligors to the Finance Parties under or in connection with the Finance Documents.

“*Fair Market Value*” means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Parent Guarantor or the Company, as the case may be (unless otherwise provided in this Agreement).

“*Fixed Charge Coverage Ratio*” means with respect to any specified Person for any period, the ratio of EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the “*Calculation Date*”), then the Fixed Charge Coverage Ratio will be calculated giving pro forma effect to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of Preferred Stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including any related financing transactions and including increases in ownership of Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date will be given pro forma effect (in accordance with Regulation S-X under the Securities Act) as if they had occurred on the first day of the four-quarter reference period;

(2) the EBITDA attributable to discontinued operations, as determined in accordance with U.S. GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with U.S. GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the Obligations giving rise to such Fixed Charges will not be Obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months).

“Fixed Charges” means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt discount (but not (i) debt issuance costs, commissions, fees and expenses or (ii) amortization of discount on the Intercompany Note Proceeds Loans (if any)), non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges Incurred in respect of letter of credit or bankers’ acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates; *plus*

(2) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period; *plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries (other than Indebtedness secured by a Lien of the type specified in clause (22) of the definition of “Permitted Liens”), whether or not such Guarantee or Lien is called upon; *plus*

(4) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of Preferred Stock of such Person or any of its Restricted Subsidiaries, other than dividends on Equity Interests payable solely in Equity Interests of such Person (other than Disqualified Stock) or to such Person or a Restricted Subsidiary of such Person, *times* (b) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with U.S. GAAP.

“Gaming Authorities” means the applicable gaming board, commission, or other governmental gaming regulatory body or agency which (a) has, or may at any time after the date of the 2024 Amendment and Restatement Agreement have, jurisdiction over the gaming activities (i) at the Studio City Casino, (ii) of Melco Resorts Macau (or any other operator of the Studio City Casino including Melco Resorts or any of its Affiliates) or (iii) of the Parent Guarantor or any of its Subsidiaries, or any successor to such authority or (b) is, or may at any time after the date of the 2024 Amendment and Restatement Agreement be, responsible for interpreting, administering and enforcing the Gaming Laws.

“Gaming Laws” means all applicable constitutions, treatises, resolutions, laws, regulations, instructions and statutes pursuant to which any Gaming Authority possesses regulatory, licensing or permit authority over gaming, gambling or casino activities, and all rules, rulings, orders, ordinances, regulations of any Gaming Authority applicable to the gambling, casino, gaming businesses or activities (i) at the Studio City Casino, (ii) of Melco Resorts Macau (or any other operator of the Studio City Casino including Melco Resorts or any of its Affiliates) or (iii) of the Parent Guarantor or any of its Subsidiaries in any jurisdiction, as in effect from time to time, including the policies, interpretations and administration thereof by the Gaming Authorities.

“Gaming Licenses” means any concession, license, permit, franchise or other authorization at any time required under any Gaming Laws to own, lease, operate or otherwise conduct the gaming business (i) at the Studio City Casino or (ii) of Melco Resorts Macau.

“Governmental Authority” means the government of the Macau SAR or any other territory, nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“*Guarantee*” means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

“*Hedging Obligations*” means, with respect to any specified Person, the obligations of such Person under:

- (1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;
- (2) other agreements or arrangements designed to manage interest rates or interest rate risk; and
- (3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

“*Incur*” means, with respect to any Indebtedness, Capital Stock or other Obligation of any Person, to create, issue, assume, guarantee, incur (by conversion, exchange, or otherwise) or otherwise become liable in respect of such Indebtedness, Capital Stock or other Obligation or the recording, as required pursuant to U.S. GAAP or otherwise, of any such Indebtedness or other Obligation on the balance sheet of such Person. Indebtedness or Capital Stock otherwise Incurred by a Person before it becomes a Restricted Subsidiary of the Parent Guarantor shall be deemed to be Incurred at the time at which such Person becomes a Restricted Subsidiary of the Parent Guarantor. The accretion of original issue discount, the accrual of interest, the accrual of dividends, the payment of interest in the form of additional Indebtedness and the payment of dividends on Preferred Stock in the form of additional shares of Preferred Stock shall not be considered an Incurrence of Indebtedness.

“*Indebtedness*” means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

- (1) in respect of borrowed money;
- (2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);
- (3) in respect of banker’s acceptances;
- (4) representing Capital Lease Obligations;
- (5) representing the balance deferred and unpaid of the purchase price of any property or services due more than one year after such property is acquired or such services are completed; or
- (6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with U.S. GAAP. In addition, the term “Indebtedness” includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person.

Notwithstanding the foregoing, “Indebtedness” will not include (i) any capital commitments, deposits or advances from customers or any contingent obligations to refund payments (including deposits) to customers (or any guarantee thereof), (ii) obligations of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor to pay the deferred and unpaid purchase price of property or services due to suppliers of equipment or other assets (including parts thereof) not more than one year after such property is acquired or such services are completed and the amount of unpaid purchase price retained by the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business in connection with an acquisition of equipment or other assets (including parts thereof) pending full operation or contingent on certain conditions during a warranty period of such equipment or assets in accordance with the terms of the acquisition; *provided* that, in each case of (i) or (ii), such Indebtedness is not reflected as borrowings on the consolidated balance sheet of the Parent Guarantor (contingent obligations and commitments referred to in a footnote to financial statements and not otherwise reflected as borrowings on the balance sheet will not be deemed to be reflected on such balance sheet), or (iii) any lease of property which would be considered an operating lease under U.S. GAAP and any guarantee given by the Parent Guarantor or a Restricted Subsidiary in the ordinary course of business solely in connection with, or in respect of, the obligations of the Parent Guarantor or a Restricted Subsidiary under any operating lease.

The amount of Indebtedness of any Person at any time shall be the outstanding balance at such time of all unconditional obligations as described above and, with respect to contingent obligations, the maximum liability upon the occurrence of the contingency giving rise to the obligation; *provided* that:

(A) the amount outstanding at any time of any Indebtedness issued with original issue discount is the face amount of such Indebtedness less the remaining unamortized portion of the original issue discount of such Indebtedness at such time as determined in conformity with U.S. GAAP;

(B) money borrowed and set aside at the time of the Incurrence of any Indebtedness in order to prefund the payment of the interest on such Indebtedness shall not be deemed to be “Indebtedness” so long as such money is held to secure the payment of such interest; and

(C) that the amount of or the principal amount of Indebtedness with respect to any Hedging Obligation shall be equal to the net amount payable if such Hedging Obligation terminated at or prior to that time due to a default by such Person.

“*Intercompany Note Proceeds Loan*” means any Bondco Loan (as defined in the Intercreditor Agreement).

“*Investment Grade Status*” shall apply at any time the relevant Indebtedness receives (i) a rating equal to or higher than BBB- (or the equivalent) from S&P and (ii) a rating equal to or higher than Baa3 (or the equivalent) from Moody’s.

“*Investments*” means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees and consultants made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with U.S. GAAP. If the Parent Guarantor or any Subsidiary of the Parent Guarantor sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Parent Guarantor such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Parent Guarantor, the Parent Guarantor will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Parent Guarantor’s Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in clause (c) of Section 2 of Schedule 10 (*Covenants*). The acquisition by the Parent Guarantor or any Subsidiary of the Parent Guarantor of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Parent Guarantor or such Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in clause (c) of Section 2 of Schedule 10 (*Covenants*). Except as otherwise provided in this Agreement, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

“*Land Concession*” has the meaning assigned to the term “Amended Land Concession” in Clause 1.1 (*Definitions*) of this Agreement.

“*Legal Holiday*” means a Saturday, a Sunday or a day on which banking institutions in the City of New York, New York, Hong Kong SAR, Macau SAR, the British Virgin Islands or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period

“*Lien*” means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction).

“*Measurement Date*” means February 11, 2019.

“*Melco Resorts Parties*” means COD Resorts Limited, Altira Resorts Limited, Melco Resorts (Macau) Limited, Melco Resorts Services Limited, Golden Future (Management Services) Limited, MPEL Properties (Macau) Limited, Melco Resorts Security Services Limited, Melco Resorts Travel Limited, MCE Transportation Limited, MCO Transportation Two Limited and any other Person which accedes to the MSA as a “*Melco Resorts Party*” pursuant to terms thereof; and a “*Melco Resorts Party*” means any of them.

“*Moody’s*” means Moody’s Investors Service, Inc. or any successor to the rating agency business thereof.

“*MSA*” means the master services agreement dated December 21, 2015, including any work agreements entered into pursuant to the master services agreement, entered into between the Studio City Parties on the one part and the Melco Resorts Parties on the other part, as amended, modified, supplemented, extended, replaced or renewed from time to time, and any other master services agreement or equivalent agreement or contract, including any work agreements entered into pursuant to any such master services agreement, in each case entered into in connection with the conduct of Permitted Business and on terms that are no less favorable to the Parent Guarantor, the Company or the relevant Restricted Subsidiary than those that would have been obtained in an arm’s length commercial transaction, as amended, modified, supplemented, extended, replaced or renewed from time to time.

“*Net Income*” means, with respect to any Person, the net income (loss) of such Person, determined in accordance with U.S. GAAP and before any reduction in respect of Preferred Stock dividends, excluding, however:

- (1) any gain (or loss), together with any related provision for taxes on such gain (or loss), realized in connection with: (a) any Asset Sale; or
- (b) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment, repurchase or cancellation of any Indebtedness of such Person or any of its Restricted Subsidiaries; and

(2) any extraordinary gain (or loss), together with any related provision for taxes on such extraordinary gain (or loss).

“*Net Proceeds*” means the aggregate cash proceeds received by the Parent Guarantor or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees, and sales commissions, and any relocation expenses incurred as a result of the Asset Sale, taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with U.S. GAAP.

“*Non-Recourse Debt*” means Indebtedness:

(1) as to which neither the Parent Guarantor nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (b) is directly or indirectly liable as a guarantor or otherwise, or (c) constitutes the lender, other than, in the case of (a) and (b), Indebtedness incurred pursuant to clause (b)(xv) of Section 4 of Schedule 10 (*Covenants*); and

(2) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Parent Guarantor or any of its Restricted Subsidiaries (other than to the Equity Interests of any Unrestricted Subsidiary).

“*Obligations*” means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

“*Officer*” means the Chairman of the Board, Chief Executive Officer, Chief Financial Officer, President, any Executive Vice President, Senior Vice President or Vice President, Treasurer or Secretary of the Company or the Parent Guarantor (as the case may be) or any Directors of the Board or any Person acting in that capacity.

“*Officer’s Certificate*” means a certificate signed on behalf of the Company or the Parent Guarantor (as the case may be), by an Officer of the Company or the Parent Guarantor (as applicable), which is in form and substance satisfactory to the Agent (acting reasonably).

“*Parent Guarantor*” means the Parent.

“*Permitted Business*” means (1) any businesses, services or activities engaged in by the Parent Guarantor or any of its Restricted Subsidiaries on the date of the 2024 Amendment and Restatement Agreement, including, without limitation, the construction, development and operation of the Property, (2) any gaming, hotel, accommodation, hospitality, transport, tourism, resort, food and beverage, retail, entertainment, cinema / cinematic venue, audio-visual production (including provision of sound stage, recording studio and similar facilities), performance, cultural or related business, development, project, undertaking or venture of any kind in the Macau SAR, and (3) any other businesses, services, activities or undertaking that are necessary for, supportive of, or connected, related, complementary, incidental, ancillary or similar to, any of the foregoing or are extensions or developments of any thereof (including in support of the businesses, services, activities and undertakings of the Melco Resorts group as a whole or any member thereof including through participation in shared and centralized services and activities).

“Permitted Investments” means:

- (1) any Investment in the Parent Guarantor or in a Restricted Subsidiary of the Parent Guarantor;
- (2) any Investment in cash or Cash Equivalents;
- (3) any Investment by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in a Person, if as a result of such Investment:
 - (A) such Person becomes a Restricted Subsidiary of the Parent Guarantor; or
 - (B) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor;
- (4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 5 of Schedule 10 (*Covenants*);
- (5) any acquisition of assets or Capital Stock in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Parent Guarantor;
- (6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Parent Guarantor or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes with Persons who are not Affiliates;
- (7) Investments represented by Hedging Obligations;
- (8) loans or advances to employees, officers, or directors made in the ordinary course of business of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in an aggregate principal amount not to exceed US\$2.0 million at any one time outstanding;
- (9) repurchases of any Secured Obligations;
- (10) any Investments consisting of gaming credit extended to customers and junket operators in the ordinary course of business and consistent with applicable law and any Investments made or deemed to be made in connection with or through any transactions or arrangements involving contractual rights under, pursuant to or in connection with (i) the Services and Right to Use Agreement, the Reinvestment Agreement or the MSA and (ii) any transaction or arrangements made pursuant to clause (10) of the definition of “Asset Sale”, including any amendments, modifications, supplements, extensions, replacements, terminations or renewals;
- (11) advances to contractors and suppliers and accounts, trade and notes receivables created or acquired in the ordinary course of business;
- (12) receivables owing to the Parent Guarantor or any of its Restricted Subsidiaries if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(13) any Investment existing on the date of the 2024 Amendment and Restatement Agreement or made pursuant to binding commitments in effect on the date of the 2024 Amendment and Restatement Agreement or an Investment consisting of any extension, modification or renewal of any Investment existing on the date of the 2024 Amendment and Restatement Agreement Date; *provided that* the amount of any such Investment may be increased (x) as required by the terms of such Investment as in existence on the date of the 2024 Amendment and Restatement Agreement or (y) as otherwise permitted under the Finance Documents;

(14) Investments in prepaid expenses, negotiable instruments held for collection, deposits made in connection with self-insurance, and performance and other similar deposits and prepayments made in connection with an acquisition of assets or property in the ordinary course of business by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor;

(15) deposits made by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business to comply with statutory or regulatory obligations (including land grants) to maintain deposits for the purposes specified by the applicable statute or regulation (including land grants) from time to time;

(16) any Investment consisting of a Guarantee permitted by Section 4 of Schedule 10 (*Covenants*) and performance guarantees that do not constitute Indebtedness entered into by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business;

(17) to the extent constituting an Investment, licenses of intellectual property rights granted by the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor in the ordinary course of business; *provided that* such grant does not interfere in any material respect with the ordinary conduct of the business of such Person;

(18) Investments consisting of purchases and acquisitions of inventory, supplies, materials, services or equipment or purchases of contract rights or licenses or leases of intellectual property, in each case, in the ordinary course of business;

(19) Investments held by a Person that becomes a Restricted Subsidiary of the Parent Guarantor; *provided*, however, that such Investments were not acquired in contemplation of the acquisition of such Person;

(20) an Investment in an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary;

(21) pledges or deposits (x) with respect to leases or utilities provided to third parties in the ordinary course of business or (y) otherwise described in the definition of “Permitted Liens”;

(22) Investments (other than Permitted Investments) made with Excluded Contributions; *provided*, however, that any amount of Excluded Contributions made will not be included in the calculation of clause (C)(II) of Section 2(a) of Schedule 10 (*Covenants*);

(23) Investments consisting of the licensing or contribution of intellectual property pursuant to joint marketing arrangements with other Persons; and

(24) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (24) that are at the time outstanding, not to exceed US\$5.0 million.

“*Permitted Land Concession Amendment*” means any of the following:

(1) any action or thing which results in, with respect to the Land Concession:

- (A) an increase of the gross floor construction area at the Site as permitted under Macau legal requirements; or
- (B) any extension of the term of the Land Concession; or
- (C) the removal of development or other obligations or terms; or
- (D) the imposition of less onerous development or other obligations or terms than those set forth in the Land Concession; or
- (E) any extension of the date required for completion of development of the Site; or
- (F) amendments to enable definitive registration of the Land Concession (or part thereof) in line with the works actually executed; *provided* that such amendments do not adversely affect the interests of the Lenders; or

(2) any amendment to the Land Concession:

- (A) required to permit separation of the Site into more than one autonomous land plot or lots;
- (B) required to permit registration of strata title;
- (C) required to permit any Compliance Sale; or
- (D) required to modify the purpose of the Land Concession to include casino, gaming or gaming related activities and operations;

provided that any such amendment (i) would not reasonably be expected to be adverse to the interests of the Lenders, or (ii) is required by applicable Gaming Law; or

(3) any amendment to the purpose of the Land Concession relating to the rating of a hotel;

(4) any amendment which is of a mechanical or administrative nature or any amendment required by any Macau SAR Governmental Authority for which reasonable notice has been given (which does not, in any case, materially adversely affect the interests of the Lenders); or

(5) any other amendment to the Land Concession that is not or would not reasonably be expected to be materially adverse to the interests of the Lenders under the Finance Documents.

“*Permitted Liens*” means:

(1) Liens to secure Indebtedness permitted by Section 4(b)(i)(A)(x) of Schedule 10 (*Covenants*);

(2) Liens to secure Indebtedness permitted by Section 4(b)(iii)(A) of Schedule 10 (*Covenants*);

(3) Liens in favor of the Company or the Guarantors;

(4) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with the Parent Guarantor or any Subsidiary of the Parent Guarantor; provided that such Liens were not created in connection with, or in contemplation of, such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with the Parent Guarantor or the Subsidiary;

(5) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Parent Guarantor or any Subsidiary of the Parent Guarantor; *provided that* such Liens were in existence prior to, such acquisition, and not incurred in contemplation of, such acquisition;

(6) Liens incurred or deposits made in the ordinary course of business in connection with workmen's compensation or employment obligations or other obligations of a like nature, including any Lien securing letters of credit issued in the ordinary course of business in connection therewith, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money);

(7) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by Section 4(b)(iv) of Schedule 10 (*Covenants*) covering only the assets acquired with or financed by such Indebtedness and directly related assets such as proceeds (including insurance proceeds), improvements, replacements and substitutions thereto;

(8) Liens existing on the date of the 2024 Amendment and Restatement Agreement;

(9) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided that* any reserve or other appropriate provision as is required in conformity with U.S. GAAP has been made therefor;

(10) Liens imposed by law, such as carriers, warehousemen's, landlord's, suppliers' and mechanics' Liens, in each case, incurred in the ordinary course of business;

(11) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(12) Liens to secure any Permitted Refinancing Indebtedness permitted to be Incurred under the Finance Documents; *provided, however, that:*

(A) the new Lien shall be limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (*plus* improvements and accessions to, such property or proceeds or distributions thereof); and

(B) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(13) Liens securing Hedging Obligations so long as the related Indebtedness is, and is permitted to be under the Finance Documents, secured by a Lien on the same assets or property securing such Hedging Obligations;

(14) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the money borrowed, (ii) relating to pooled deposit or sweep accounts of the Parent Guarantor or any of its Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Parent Guarantor and its Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Parent Guarantor or any of its Restricted Subsidiaries in the ordinary course of business;

(15) Liens arising out of judgments against such Person not giving rise to an Event of Default, with respect to which such Person shall then be proceeding with an appeal or other proceedings for review, *provided that* any reserve or other appropriate provision as shall be required in conformity with U.S. GAAP shall have been made therefor;

(16) Liens granted to any Creditor Representative (as defined in the Intercreditor Agreement) for its compensation and indemnities pursuant to any applicable Secured Obligations Document;

(17) Liens arising out of or in connection with licenses, sublicenses, leases (other than capital leases) and subleases (including rights to use) of assets (including, without limitation, intellectual property) entered into in the ordinary course of business;

(18) Liens upon specific items of inventory or other goods and proceeds of the Parent Guarantor or any of its Restricted Subsidiaries securing obligations in respect of bankers' acceptances issued or created to facilitate the purchase, shipment or storage of such inventory or other goods in the ordinary course of business;

(19) Liens arising out of conditional sale, title retention, hire purchase, consignment or similar arrangement for the sale of goods in the ordinary course of business;

(20) Liens arising under customary provisions limiting the disposition or distribution of assets or property or any related restrictions thereon in operating agreements, joint venture agreements, partnership agreements, contracts for sale and other agreements arising in the ordinary course of business; *provided, that* such Liens do not extend to any assets of the Parent Guarantor or any of its Restricted Subsidiaries other than the assets subject to such agreements or contracts;

(21) Liens on deposits made in the ordinary course of business to secure liability to insurance carriers;

(22) Liens on the Equity Interests of Unrestricted Subsidiaries;

(23) Liens created or Incurred under, pursuant to or in connection with the Services and Right to Use Agreement or the Reinvestment Agreement, including Liens on any revenues or receipts thereunder or any accounts created or maintained thereunder;

(24) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Restricted Subsidiaries of the Parent Guarantor securing obligations of such joint ventures;

(25) Liens securing Indebtedness Incurred pursuant to Section 4(b)(xvii) of Schedule 10 (*Covenants*);

(26) Liens incurred in the ordinary course of business of the Parent Guarantor or any Subsidiary of the Parent Guarantor with respect to Obligations that do not exceed US\$5.0 million at any one time outstanding; and

(27) Liens on any debt service reserve account or interest reserve or accrual account (including all dividends, instruments, cash and Cash Equivalents and other property, as applicable, on deposit in such account) established for the benefit of creditors and securing Indebtedness owed to such creditors to the extent such debt service reserve account or interest reserve or accrual account is established in the ordinary course of business consistent with past practice.

Notwithstanding the foregoing:

- (a) no Liens on the Facility A Cash Collateral account other than Liens of the type described in paragraphs (1) (but only in respect of Liens that secure Indebtedness under Facility A), (9), (10), (14)(i) and (21) of this definition shall constitute Permitted Liens;
- (b) [reserved]; and
- (c) no Liens on the Common Collateral other than Liens of the type described in paragraphs (1), (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to such paragraph (2)), (6), (9), (10), (11), (13), (14)(i), (14)(ii), (15), (16), (17), (18), (19), (20), (21) and (23) of this definition of “Permitted Liens” shall constitute Permitted Liens; *provided* that, in the case of this clause (c), with respect to Liens securing Indebtedness of the type described in paragraphs (1), (2) (and any Permitted Refinancing Indebtedness in respect of Indebtedness secured pursuant to such paragraph (2)), (13) (with respect to Hedging Obligations secured by the Common Collateral) and (25) of this definition of “Permitted Liens”:
 - (i) all the property and assets securing such Indebtedness (including, without limitation, the Common Collateral) also secures the Facilities Liabilities on a senior and *pari passu* basis (other than (I) Liens on the Facility A Cash Collateral Account or (II) Liens of the type described in paragraph (27) of the definition of “Permitted Liens”);
 - (ii) no Indebtedness other than (x) Indebtedness (excluding Indebtedness in respect of the Facilities Liabilities) Incurred under a revolving credit facility or an ancillary facility relating thereto permitted by Section 4(b)(iii) of Schedule 10 (*Covenants*) in an aggregate amount outstanding at any time up to US\$5.0 million, (y) Indebtedness with respect to Hedging Obligations supporting Indebtedness of the type described in Section 4(b)(i)(A)(x) and/or Section 4(b)(iii)(A) of Schedule 10 (*Covenants*) (and any Permitted Refinancing Indebtedness in respect of Indebtedness of the type described in Section 4(b)(iii)(A) of Schedule 10 (*Covenants*)) in an aggregate amount outstanding at any time up to US\$5.0 million and secured by Liens of the type described in paragraph (13) of the definition of “Permitted Liens” or (z) with the prior written consent of all Lenders, other Indebtedness may, as to the enforcement proceeds from such Collateral rank *pari passu* and share *pro rata* with the Facilities Liabilities; and
 - (iii) the parties with respect to such Indebtedness will have entered into the Intercreditor Agreement (and/or an Additional Intercreditor Agreement) as “Secured Parties” (or the analogous term) thereunder.

“*Permitted Refinancing Indebtedness*” means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge other Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries (other than intercompany Indebtedness); *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged (*plus* all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, Incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Facilities Liabilities, such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and is subordinated in right of payment to, the Facilities Liabilities on terms at least as favorable to the Finance Parties as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is Incurred either by the Parent Guarantor or by the Restricted Subsidiary who is the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

“*Person*” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

“*Phase I*” means the approximately 477,110 gross square-meter part of the complex on the Site which contains retail, hotel, gaming, entertainment, food and beverage outlets and entertainment studios and other facilities developed on or before 1 December 2016, including any renovations or modifications thereto.

“*Phase II Project*” means the development on the Site after 1 December 2016, not comprising Phase I.

“*Preferred Stock*” means any Equity Interest with preferential right of payment of dividends or upon liquidation, dissolution, or winding up.

“*Pre-Opening Expenses*” means, with respect to any fiscal period, the amount of expenses (other than interest expense) incurred with respect to capital projects that are classified as “pre-opening expenses” on the applicable financial statements of the Parent Guarantor and its Restricted Subsidiaries for such period, prepared in accordance with U.S. GAAP.

“*Property*” means Phase I and the Phase II Project.

“*Reinvestment Agreement*” means the Reimbursement Agreement.

“*Related Party*” means:

(1) any controlling stockholder or majority-owned Subsidiary of Melco Resorts; or

(2) any trust, corporation, partnership, limited liability company or other entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding at least 50.1% interest of which consist of Melco Resorts and/or such other Persons referred to in the immediately preceding clause (1).

“*Restricted Investment*” means an Investment other than a Permitted Investment.

“*Restricted Subsidiary*” of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

“*Revenue Sharing Agreement*” means any joint venture, development, management, operating or similar agreement or arrangement for the sharing of revenues, profits, losses, costs or expenses entered into in connection with developments or services complementary or ancillary to the Property in the ordinary course of business (including, for the avoidance of doubt, such agreements or arrangements reasonably necessary to conduct a Permitted Business) and on arms’ length terms.

“*S&P*” means S&P Global Ratings or any successor to the rating agency business thereof.

“*SEC*” means the U.S. Securities and Exchange Commission.

“*Securities Act*” means the United States Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder.

“*Senior Notes*” means the 2025 Notes, the 2028 Notes and the 2029 Notes.

“*Senior Notes Guarantees*” means the 2025 Notes Guarantees, the 2028 Notes Guarantees and the 2029 Notes Guarantees.

“*Senior Notes Indentures*” means the 2025 Notes Indenture, the 2028 Notes Indenture and the 2029 Notes Indenture.

“*Senior Notes Issuer*” means Studio City Finance Limited, a BVI business company incorporated under the laws of the British Virgin Islands (registered number 1673307), whose registered office is at Jayla Place, Wickhams Cay 1, Road Town, Tortola, VG1110, British Virgin Islands, and any and all successors thereto.

“*Senior Notes Trustee*” means each of the 2025 Notes Trustee, the 2028 Notes Trustee, and the 2029 Notes Trustee.

“*Senior Secured 2027 Note Indenture*” means the indenture governing the Senior Secured 2027 Notes dated February 16, 2022 and made between, among others, Deutsche Bank Trust Company Americas as trustee, paying agent, registrar and transfer agent in respect of the Senior Secured 2027 Notes, the Company as company and issuer of the Senior Secured 2027 Notes, and the Parent Guarantor as parent guarantor and Subsidiary Guarantors as subsidiary guarantors of the Senior Secured 2027 Notes and acceded to by the Common Security Agent and the Intercreditor Agent.

“*Senior Secured 2027 Notes*” means:

(1) the US\$350,000,000 aggregate principal amount of 7.0% senior secured notes due 2027 issued by the Company as issuer pursuant to the Senior Secured 2027 Note Indenture on February 16, 2022; and

(2) any additional notes issued by the Company as issuer pursuant to the Senior Secured 2027 Note Indenture as part of the same series of the senior secured notes issued under paragraph (1) above, provided that the Company and the Parent Guarantor have confirmed in writing to the Agent that the incurrence of those notes will not breach the terms of any of the Finance Documents or any of the then existing Secured Obligations Documents.

“*Senior Secured 2027 Notes Guarantees*” means the “Note Guarantees” (as defined in the Senior Secured 2027 Note Indenture) in relation to the Senior Secured 2027 Notes.

“*Senior Secured 2027 Notes Interest Accrual Account*” means any Pari Passu Notes Interest Accrual Account (as defined in the Intercreditor Agreement) relating to the Senior Secured 2027 Notes established in accordance with the terms of the Senior Secured 2027 Note Indenture.

“*Shareholder Subordinated Debt*” means, collectively, any debt provided to the Parent Guarantor by any direct or indirect parent holding company of the Parent Guarantor (or Melco Resorts), in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Shareholder Subordinated Debt; *provided that* such Shareholder Subordinated Debt:

(1) does not (including upon the happening of any event) mature or require any amortization or other payment of principal prior to the first anniversary of the last Final Repayment Date of the Facilities (other than through conversion or exchange of any such security or instrument for Equity Interests of the Parent Guarantor (other than Disqualified Stock) or for any other security or instrument meeting the requirements of the definition);

(2) does not (including upon the happening of any event) require the payment of cash interest prior to the first anniversary of the last Final Repayment Date of the Facilities;

(3) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confer on its shareholders any right (including upon the happening of any event) to declare a default or event of default or take any enforcement action, in each case, prior to the first anniversary of the last Final Repayment Date of the Facilities;

(4) is not secured by a Lien on any assets of the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor and is not guaranteed by any Subsidiary of the Parent Guarantor;

(5) is subordinated in right of payment to the prior payment in full in cash of the Facilities Liabilities in the event of any default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of the Parent Guarantor;

(6) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Facilities Liabilities or compliance by the Parent Guarantor with its obligations under the Finance Documents;

(7) does not (including upon the happening of an event) constitute Voting Stock; and

(8) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder, in whole or in part, prior to the longest dated Final Repayment Date of the Facilities other than into or for Capital Stock (other than Disqualified Stock) of the Parent Guarantor.

“*Significant Subsidiary*” means any Subsidiary that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the date of the 2024 Amendment and Restatement Agreement.

“*Site*” means an approximately 130,789 square meter parcel of land in the reclaimed area between Taipa and Coloane Island (Cotai), Lotes G300, G310 and G400, registered with the Macau Real Estate Registry under no. 23059, including the casino area that corresponds to the 43.8/1000 interest that was transferred to Macau SAR on 31 December 2022.

“*Stated Maturity*” means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date of the 2024 Amendment and Restatement Agreement (or, if the documentation governing such Indebtedness (ignoring any amendments or restatements) is dated after the date of the 2024 Amendment and Restatement Agreement, such later date), and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

“*Studio City Casino*” means any casino, gaming business or activities conducted at the Site.

“*Studio City International*” means Studio City International Holdings Limited, an exempted company registered by way of continuation with limited liability under the laws of the Cayman Islands.

“*Studio City Parties*” means Studio City International, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Retail Services Limited, Studio City Developments Limited, Studio City Ventures Limited, Studio City Services Limited and any other Person which accedes to the MSA as a “Studio City Party” pursuant to terms thereof.

“*Subordinated Indebtedness*” means (a) with respect to the Company, any Indebtedness of the Company which is by its terms subordinated in right of payment to the Facilities Liabilities, and (b) with respect to any Guarantor, any Indebtedness of such Guarantor which is by its terms subordinated in right of payment to such Guarantor’s Obligations in respect of the Facilities Liabilities.

“*Subsidiary*” means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership (a) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (b) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

“*Subsidiary Guarantor*” means each Guarantor from time to time (other than the Parent).

“*Total Assets*” means, as of any date, the consolidated total assets of the Parent Guarantor and its Restricted Subsidiaries in accordance with U.S. GAAP as shown on the most recent balance sheet of such Person.

“*Unrestricted Subsidiary*” means any Subsidiary of the Parent Guarantor that is designated by the Board of Directors of the Parent Guarantor as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by Section 6 of Schedule 10 (*Covenants*), is not party to any agreement, contract, arrangement or understanding with the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Parent Guarantor or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Parent Guarantor or the Company;

(3) is a Person with respect to which neither the Parent Guarantor nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person’s financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries.

“*U.S. GAAP*” means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect from time to time.

“*Voting Stock*” of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

“*Weighted Average Life to Maturity*” means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by

(2) the then outstanding principal amount of such Indebtedness.

Signatures

Original signature pages removed in amended and restated version

Schedule 2
Conditions Precedent

1. Constitutional documents

- (a) A copy of the Constitutional Documents of each Security Provider.
- (b) A copy of an up-to-date certificate of incumbency issued not more than one month prior to the date of this Agreement in respect of each Security Provider incorporated in the British Virgin Islands, issued by its respective registered agent.
- (c) A copy of a certificate of good standing issued not more than one month prior to the date of this Agreement in respect of each Security Provider incorporated in the British Virgin Islands, issued by Registrar of Corporate Affairs in the British Virgin Islands.

2. Corporate documents

- (a) A copy of a resolution of the board of directors of each Security Provider (save if such resolution is not required under the law of incorporation or the Constitutional Documents of that Security Provider) approving the terms of, and the transactions contemplated by, the documents referred to in paragraph 3 of this Schedule 2 to which it is a party (the “**Documents**”) and resolving that it execute, deliver and perform the Documents; authorising a specified person or persons to execute the Documents; and authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices under or in connection with the Documents.
- (b) A copy of the shareholders’ resolutions of each Security Provider (except for the Borrower, the Parent and each Security Provider incorporated in the Macau SAR) approving the terms of, and the transactions contemplated by, the Documents.
- (c) A specimen of the signature of each person authorised by the resolution referred to in paragraph 2(a) above who will sign (or has signed) any of the Documents.
- (d) A certificate of each Security Provider (signed by a director) confirming that borrowing, guaranteeing or securing, as appropriate, the Total Commitments or the entry into or performance under any of the Transaction Documents to which it is a party would not cause any borrowing, guarantee, security or similar limit or any other Legal Requirement binding on it to be exceeded.
- (e) A certificate of each Security Provider (signed by a director) certifying that each copy document relating to it specified in this Schedule 2 is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.

3. Documents

- (a) A copy of this Agreement duly entered into by the parties hereto.
- (b) A copy of each Confirmatory Security Document entered into by the parties thereto.
- (c) A copy of the Additional Credit Facility Agreement (as defined in the Amended and Restated Facilities Agreement) in agreed form between the contemplated parties thereto.

4. Legal Opinions

- (a) A legal opinion in relation to English law from White & Case, legal advisers to the Agent, substantially in the form distributed to the Agent prior to the signing of this Agreement.

- (b) A legal opinion in relation to Hong Kong law from White & Case, legal advisers to the Agent, substantially in the form distributed to the Agent prior to the signing of this Agreement.
- (c) A legal opinion in relation to Macanese law from Henrique Saldanha Advogados & Notários, legal advisers to the Agent, substantially in the form distributed to the Agent prior to the signing of this Agreement.
- (d) A legal opinion in relation to British Virgin Islands law from Maples and Calder (Hong Kong) LLP, legal advisers to the Agent, substantially in the form distributed to the Agent prior to the signing of this Agreement.

5. **Fees and expenses**

Evidence that all Taxes, fees, costs and expenses then due and payable from the Borrower under this Agreement have been or will be paid on, prior to or shortly after the Effective Date.

6. **Other documents and evidence**

- (a) A certified copy of the Group Structure Chart.
- (b) Evidence that the agents of the relevant Security Providers under the Amendment Transaction Documents for service of process in England and Hong Kong respectively have accepted their appointments.

Part 1
Offshore Confirmatory Security

1. A fourth composite deed of confirmatory security to be entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited and SCP Holdings Limited with respect to:
 - (a) the charge over all present and future shares of the Borrower held by the Parent, granted by the Parent dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the charge over all present and future shares of Studio City Holdings Two Limited held by the Borrower, granted by the Borrower dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (c) the charge over all present and future shares in Studio City Holdings Three Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (d) the charge over all present and future shares in Studio City Holdings Four Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (e) the charge over all present and future shares in SCP Holdings Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (f) the charge over all present and future shares in SCIP Holdings Limited held by Studio City Holdings Two Limited, granted by Studio City Holdings Two Limited dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (g) the charge over all present and future shares in SCP One Limited held by SCP Holdings Limited, granted by SCP Holdings Limited dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (h) the charge over all present and future shares in SCP Two Limited held by SCP Holdings Limited, granted by SCP Holdings Limited dated 26 November 2013 (as amended by a composite deed of confirmatory security dated 1 December 2016, as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (i) the composite deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited and SCP Holdings Limited dated 1 December 2016 (as amended by a second composite deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (j) the second composite deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited and SCP Holdings Limited dated 15 March 2021 (as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (k) the third composite deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited and SCP Holdings Limited dated 16 February 2022 (as amended, novated, supplemented, extended, replaced or restated from time to time).
2. A fourth deed of confirmatory security to be entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited, with respect to:
- (a) the debenture entered into (amongst others) by the Borrower, the Parent, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited dated 26 November 2013 (as amended by a deed of confirmatory security dated 1 December 2016, as amended by a second deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited dated 1 December 2016 (as amended by a second deed of confirmatory security dated 15 March 2021, as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (c) the second deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited dated 15 March 2021 (as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (d) the third deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited dated 16 February 2022 (as amended, novated, supplemented, extended, replaced or restated from time to time).
3. A fourth deed of confirmatory security to be entered into by SCH5 and the Common Security Agent with respect to:
- (a) the debenture entered into by SCH5 and the Common Security Agent as security agent dated 18 September 2015 (as amended by a deed of confirmatory security dated 1 December 2016, as amended by a second deed of confirmatory security dated 15 March 2021, as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the deed of confirmatory security entered into by SCH5 and the Common Security Agent dated 1 December 2016 (as amended by a second deed of confirmatory security dated 15 March 2021, as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (c) the second deed of confirmatory security entered into by SCH5 and the Common Security Agent dated 15 March 2021 (as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (d) the third deed of confirmatory security entered into by SCH5 and the Common Security Agent dated 16 February 2022 (as amended, novated, supplemented, extended, replaced or restated from time to time).
4. A fourth composite account charge deed of confirmatory security to be entered into (among others) by the Borrower, the Parent, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited with respect to:
- (a) the charge over certain accounts of the Borrower held in the Hong Kong SAR, granted by the Borrower dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (b) the charge over certain accounts of the Parent held in the Hong Kong SAR, granted by the Parent dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (c) the charge over certain accounts of Studio City Developments Limited held in the Hong Kong SAR, granted by Studio City Developments Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (d) the charge over certain accounts of Studio City Entertainment Limited held in the Hong Kong SAR, granted by Studio City Entertainment Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (e) the charge over certain accounts of Studio City Hotels Limited held in the Hong Kong SAR, granted by Studio City Hotels Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (f) the charge over certain accounts of Studio City Services Limited held in the Hong Kong SAR, granted by Studio City Services Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (g) the charge over certain accounts of Studio City Hospitality and Services Limited held in the Hong Kong SAR, granted by Studio City Hospitality and Services Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (h) the charge over certain accounts of Studio City Retail Services Limited held in the Hong Kong SAR, granted by Studio City Retail Services Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (i) the charge over certain accounts of SCIP Holdings Limited held in the Hong Kong SAR, granted by SCIP Holdings Limited dated 26 November 2013 (as amended by a composite account charge deed of confirmatory security dated 1 December 2016, as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (j) the composite account charge deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited dated 1 December 2016 (as amended by a second composite account charge deed of confirmatory security dated 15 March 2021, as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (k) the second composite account charge deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited dated 15 March 2021 (as amended by a third composite deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (l) the third composite account charge deed of confirmatory security entered into (among others) by the Borrower, the Parent, Studio City Developments Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited and SCIP Holdings Limited dated 16 February 2022 (as amended, novated, supplemented, extended, replaced or restated from time to time).
5. A fourth deed of confirmatory security to be entered into (among others) by Studio City Hospitality and Services Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Developments Limited, Studio City Retail Services Limited and Studio City Services Limited with respect to:
- (a) the charge over all present and future shares in SCHK2 held by Studio City Hospitality and Services Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Developments Limited and Studio City Retail Services Limited dated 30 July 2018 (as amended and restated by a deed of confirmatory security dated 1 February 2019, as amended by a second deed of confirmatory security dated 15 March 2021, as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the deed of confirmatory security entered into (among others) by Studio City Hospitality and Services Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Developments Limited, Studio City Retail Services Limited and Studio City Services Limited dated 1 February 2019 (as amended by a second deed of confirmatory security dated 15 March 2021, as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (c) the second deed of confirmatory security entered into (among others) by Studio City Hospitality and Services Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Developments Limited, Studio City Retail Services Limited and Studio City Services Limited dated 15 March 2021 (as amended by a third deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time); and

- (d) the third deed of confirmatory security entered into (among others) by Studio City Hospitality and Services Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Developments Limited, Studio City Retail Services Limited and Studio City Services Limited dated 16 February 2022 (as amended, novated, supplemented, extended, replaced or restated from time to time).
6. A third deed of confirmatory security to be entered into by SCHK2 and the Common Security Agent with respect to:
- (a) the debenture entered into by SCHK2 and the Common Security Agent dated 30 July 2018 (as amended by a deed of confirmatory security dated 15 March 2021, as amended by a second deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the deed of confirmatory security to be entered into by SCHK2 and the Common Security Agent dated 15 March 2021 (as amended by a second deed of confirmatory security dated 16 February 2022 and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (c) the second deed of confirmatory security to be entered into by SCHK2 and the Common Security Agent dated 16 February 2022 (as amended, novated, supplemented, extended, replaced or restated from time to time).

Part 2

Confirmations for Onshore Security

1. A fourth composite confirmation to be entered into by Studio City Company Limited, Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Holdings Five Limited, Studio City Entertainment Limited, Studio City Hotels Limited, Studio City Services Limited, SCP Holdings Limited, SCP One Limited, SCP Two Limited, Studio City Hospitality and Services Limited, Studio City Retail Services Limited, Studio City Developments Limited and SCIP Holdings Limited with respect to the following Macau law security documents:
- (a) the mortgage granted by Studio City Developments Limited over its rights under the Amended Land Concession dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the power of attorney granted by Studio City Developments Limited dated 26 November 2013 supplementing the mortgage over its rights under the Amended Land Concession (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (c) the promissory note issued by Studio City Company Limited dated 26 November 2013 and endorsed by Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited, Studio City Retail Services Limited and SCIP Holdings Limited (the “**Livrança**”) (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (d) the covering letter dated 26 November 2013 in relation to the Livrança from Studio City Company Limited and acknowledged by Studio City Investments Limited, Studio City Holdings Two Limited, Studio City Holdings Three Limited, Studio City Holdings Four Limited, Studio City Entertainment Limited, Studio City Services Limited, Studio City Hotels Limited, SCP Holdings Limited, Studio City Hospitality and Services Limited, SCP One Limited, SCP Two Limited, Studio City Developments Limited, Studio City Retail Services Limited and SCIP Holdings Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (e) the pledge over all present and future shares of Studio City Entertainment Limited held by Studio City Holdings Three Limited and Studio City Holdings Four Limited granted by Studio City Holdings Three Limited and Studio City Holdings Four Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (f) the power of attorney granted by Studio City Holdings Three Limited dated 18 September 2015 regarding all its present and future shares in Studio City Entertainment Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (g) the power of attorney granted by Studio City Holdings Four Limited dated 18 September 2015 regarding all its present and future shares in Studio City Entertainment Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (h) the pledge over the share in Studio City Entertainment Limited held by Studio City Holdings Five Limited granted by Studio City Holdings Five Limited dated 18 September 2015 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (i) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Entertainment Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (j) the pledge over all present and future shares in Studio City Hotels Limited held by Studio City Holdings Three Limited and Studio City Holdings Four Limited, granted by Studio City Holdings Three Limited and Studio City Holdings Four Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (k) the power of attorney granted by Studio City Holdings Three Limited dated 18 September 2015 regarding all its present and future shares in Studio City Hotels Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (l) the power of attorney granted by Studio City Holdings Four Limited dated 18 September 2015 regarding all its present and future shares in Studio City Hotels Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (m) the pledge over the share in Studio City Hotels Limited held by Studio City Holdings Five Limited, granted by Studio City Holdings Five Limited dated 18 September 2015 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (n) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Hotels Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (o) the pledge over all present and future shares in Studio City Developments Limited held by SCP Holdings Limited, SCP One Limited and SCP Two Limited, granted by SCP Holdings Limited, SCP One Limited and SCP Two Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (p) the power of attorney granted by SCP Holdings Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (q) the power of attorney granted by SCP One Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (r) the power of attorney granted by SCP Two Limited dated 18 September 2015 regarding all its present and future shares in Studio City Developments Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (s) the pledge over the share in Studio City Developments Limited held by Studio City Holdings Five Limited, granted by Studio City Holdings Five Limited dated 18 September 2015 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (t) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 regarding the share held in Studio City Developments Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (u) the pledge over all present and future shares in Studio City Retail Services Limited held by Studio City Services Limited and Studio City Hospitality and Services Limited, granted by Studio City Services Limited and Studio City Hospitality and Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (v) the pledge over all present and future shares in Studio City Hospitality and Services Limited held by Studio City Services Limited, granted by Studio City Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (w) the pledge over all present and future shares of Studio City Services Limited held by Studio City Company Limited and Studio City Holdings Two Limited, granted by Studio City Company Limited and Studio City Holdings Two Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (x) the power of attorney granted by Studio City Holdings Five Limited dated 18 September 2015 to terminate certain preference right agreements pursuant to which Studio City Holdings Five Limited was given preference in the acquisition of certain shares and the assignment of the interest in the Amended Land Concession (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (y) the floating charge over substantially all assets of Studio City Developments Limited, granted by Studio City Developments Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (z) the floating charge over substantially all assets of Studio City Entertainment Limited, granted by Studio City Entertainment Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (aa) the floating charge over substantially all assets of Studio City Services Limited, granted by Studio City Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (bb) the floating charge over substantially all assets of Studio City Hospitality and Services Limited, granted by Studio City Hospitality and Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (cc) the floating charge over substantially all assets of Studio City Hotels Limited, granted by Studio City Hotels Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (dd) the floating charge over substantially all assets of Studio City Retail Services Limited, granted by Studio City Retail Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (ee) the pledge over certain onshore accounts of Studio City Company Limited held in the Macau SAR, granted by Studio City Company Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (ff) the pledge over certain onshore accounts of Studio City Developments Limited held in the Macau SAR, granted by Studio City Developments Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (gg) the pledge over certain onshore accounts of Studio City Entertainment Limited held in the Macau SAR, granted by Studio City Entertainment Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (hh) the pledge over certain onshore accounts of Studio City Hotels Limited held in the Macau SAR, granted by Studio City Hotels Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (ii) the pledge over certain onshore accounts of Studio City Services Limited held in the Macau SAR, granted by Studio City Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (jj) the pledge over certain onshore accounts of Studio City Hospitality and Services Limited held in the Macau SAR, granted by Studio City Hospitality and Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (kk) the pledge over certain onshore accounts of Studio City Retail Services Limited held in the Macau SAR, granted by Studio City Retail Services Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (ll) the pledge over certain onshore accounts of SCIP Holdings Limited held in the Macau SAR, granted by SCIP Holdings Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (mm) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Developments Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (nn) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Entertainment Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
- (oo) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Hotels Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);

- (pp) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Services Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (qq) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Hospitality and Services Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (rr) the assignment of certain leases and rights to use agreements dated 26 November 2013 and entered into by (among others) Studio City Retail Services Limited (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time).
2. A fourth confirmation to be entered into (among others) by Melco Resorts (Macau) Limited, Studio City Developments Limited, Studio City Hotels Limited, Studio City Company Limited, Studio City Holdings Five Limited and Studio City Entertainment Limited with respect to the following Macau law security documents:
- (a) the assignment of the Services and Right to Use Agreement granted by Studio City Entertainment Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time);
 - (b) the assignment of the Reimbursement Agreement granted by Studio City Entertainment Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time); and
 - (c) the direct agreement in relation to (i) the Services and Right to Use Agreement; and (ii) the Reimbursement Agreement, granted by Studio City Company Limited, Studio City Entertainment Limited, Studio City Developments Limited, Studio City Hotels Limited, Melco Resorts (Macau) Limited and Studio City Holdings Five Limited dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time).
3. A fourth confirmation to be entered into (among others) by Melco Resorts (Macau) Limited and Studio City Entertainment Limited with respect to the pledge over accounts granted by Melco Resorts (Macau) Limited and Studio City Entertainment Limited, over (i) accounts of Melco Resorts (Macau) Limited in respect of the Service and Right to Use Agreement and (ii) the Trust Account (as defined in the Service and Right to Use Agreement) dated 26 November 2013 (as amended by a confirmation agreement dated 1 December 2016, by a second composite confirmation agreement dated 15 March 2021 and by a third composite confirmation agreement dated 16 February 2022, and as amended, novated, supplemented, extended, replaced or restated from time to time).

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4. A second confirmation to be entered into by Studio City Company Limited with respect to the pledge over cash collateral account granted by Studio City Company Limited, over the Account held with the Account Bank and the Deposit in relation to the Account (each as defined therein) dated 1 December 2016 (as confirmed by a confirmation agreement dated 15 March 2021 and as amended, novated, supplemented, extended, replaced or restated from time to time).

Signatures

THE PARENT

STUDIO CITY INVESTMENTS LIMITED

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

THE BORROWER

STUDIO CITY COMPANY LIMITED

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

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THE OTHER OBLIGORS

STUDIO CITY HOLDINGS TWO LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

STUDIO CITY HOLDINGS THREE LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

STUDIO CITY HOLDINGS FOUR LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

SCP HOLDINGS LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

SCP ONE LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

SCP TWO LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

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SCIP HOLDINGS LIMITED, a BVI business company incorporated under the laws of the British Virgin Islands

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

STUDIO CITY ENTERTAINMENT LIMITED, a company incorporated under the laws of the Macau SAR

By: /s/ Ines Nolasco Antunes
Name: Ines Nolasco Antunes
Title: Director

STUDIO CITY SERVICES LIMITED, a company incorporated under the laws of the Macau SAR

By: /s/ Ines Nolasco Antunes
Name: Ines Nolasco Antunes
Title: Director

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STUDIO CITY HOTELS LIMITED, a company incorporated under the laws of the Macau SAR

By: /s/ Ines Nolasco Antunes
Name: Ines Nolasco Antunes
Title: Director

STUDIO CITY HOSPITALITY AND SERVICES LIMITED, a company incorporated under the laws of the Macau SAR

By: /s/ Ines Nolasco Antunes
Name: Ines Nolasco Antunes
Title: Director

STUDIO CITY DEVELOPMENTS LIMITED, a company incorporated under the laws of the Macau SAR

By: /s/ Ines Nolasco Antunes
Name: Ines Nolasco Antunes
Title: Director

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STUDIO CITY RETAIL SERVICES LIMITED, a company incorporated under the laws of the Macau SAR

By: /s/ Ines Nolasco Antunes
Name: Ines Nolasco Antunes
Title: Director

STUDIO CITY (HK) TWO LIMITED (新濠影匯(香港)第二有限公司), a limited liability company incorporated under the laws of the Hong Kong SAR

By: /s/ Tim Yuchi Sung
Name: Tim Yuchi Sung

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THE COMMON SECURITY AGENT

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED

By: /s/ Huang Xianjun
Name: Huang Xianjun

By: /s/ Huang Wei
Name: Huang Wei

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THE POA AGENT

INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MACAU) LIMITED

By: /s/ Huang Xianjun
Name: Huang Xianjun

By: /s/ Huang Wei
Name: Huang Wei

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THE AGENT

BANK OF CHINA LIMITED, MACAU BRANCH

By: /s/ Huang Jia Yu, Venus
Name: Huang Jia Yu, Venus
Title: Deputy Director, Corporate Banking and Financial
 Institutions Department

By: _____

Name: _____

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Studio City International Holdings Limited
List of Significant Subsidiaries
As of December 31, 2024

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



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 Kong.² 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 to anyone while in possession of such information. 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 1);
 - (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, 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.

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. Each 10b5-1 Trading Plan 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 black-out 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. 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.

Please refer to Part 1 of Schedule 2 for requirements to be met in adopting such plans and all 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;

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- 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 a member of the Legal team designated by the CS (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 2) (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 3)), 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 a member of the Legal Department designated by the CS;
- (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 4) (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.

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 5) via email address: MIL-Trade@melco-resorts.com. 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.

³ Each Melco Restricted Employee must refer to and comply with Melco’s Policy for the Prevention of Insider Trading.

IX. 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.

Issue No. 5

Approved By: Nominating and Corporate Governance Committee
Approval Date: December 7, 2023

Certified to be a true copy by Company Secretary

Signature: /s/ Tim Sung

REVISION HISTORY

ISSUE	DATE APPROVED	APPROVED BY	PAGES REVISED	WORD	EXECUTED PDF
1	March 27, 2019	Board of Directors	N/A	3438-5392-8968, v.19	3439-6372-7628, v.2
2	December 10, 2019	NCGC	6, 16-17, & 19-20	3438-5392-8968, v.24	3462-0715-2654, v.3
3	December 7, 2021	NCGC	1-2, 4, 6-12, 14, 17-20, 22, 24, 26-31	3438-5392-8968, v.26	3474-3150-2872, v.2
4	June 20, 2023	NCGC	All pages	3438-5392-8968, v.32	3474-3150-2872, v.4
5	December 7, 2023	NCGC	1-6, 8-9, 11- 15, 17-19	3476-6554-6025, v.2	3474-3150-2872, v.6

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 black-out 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 member of the Legal Department designated by CS
CS	Melco CLO or designee
Director or Controlled Entity thereof	Designated Director ¹ following a review by the CS or a member of the Legal Department designated by CS

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. 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.

¹ Defined in Part VI A(c) of this Policy

- (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**"): **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 option 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 21, 2025

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 21, 2025

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, 2024 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 21, 2025

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, 2024 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 21, 2025

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 21, 2025, 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, 2024.

/s/ Deloitte & Touche LLP

Singapore
March 21, 2025

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 20, 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, 2024.

/s/ Ernst & Young LLP

Singapore
March 21, 2025