

TRADITIONS AT THE GLEN RESORT & CASINO, LLC

FINANCIAL STATEMENTS

FOR THE TEN YEARS ENDING

DECEMBER 31, 2025 (FORECASTED)

TRADITIONS AT THE GLEN RESORT & CASINO, LLC

FINANCIAL STATEMENTS

FOR THE TEN YEARS ENDED DECEMBER 31, 2025 (FORECASTED)

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Traditions Resort & Casino, LLC
4101 Watson Boulevard
Johnson City, NY 13790

Revised Date: June 10, 2014

The accompanying annual "forecasted" financial statements including the balance sheet, income statement, and cash flows statement of Traditions Resort & Casino, LLC for the ten years ended December 31, 2025 have been compiled by us.

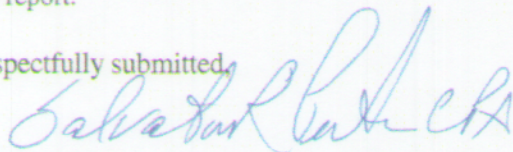
The columns labeled "forecasted" in the accompanying income statement for Traditions Resort & Casino, LLC, the related summary of significant forecast assumptions for the ten years ending December 31, 2025, the balance sheet and cash flows statements for the ten years ending, have been compiled by us. A financial forecast is management's estimate of the most probable results of operations and reflects management's judgment based on present circumstances of the most likely set of conditions and its most likely course of action. Forecasts are based on assumptions about circumstances and events that have not yet taken place. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur. Therefore, the actual results achieved during the forecast period will vary from the financial statement forecast, and the variation may be material.

A compilation of the forecast is limited to the assembly of forecasted financial statements based on management's assumptions and estimates. We have not reviewed the assumptions and estimates used in this financial forecast and, accordingly, do not express an opinion on the forecast of how closely it will correspond with the actual results.

In addition, there are additional supplemental schedules that include "forecasted" income statements, balance sheets and cash flow statements for the ten years ending December 31, 2025, that are managements estimate of the most probable best and worst case scenarios.

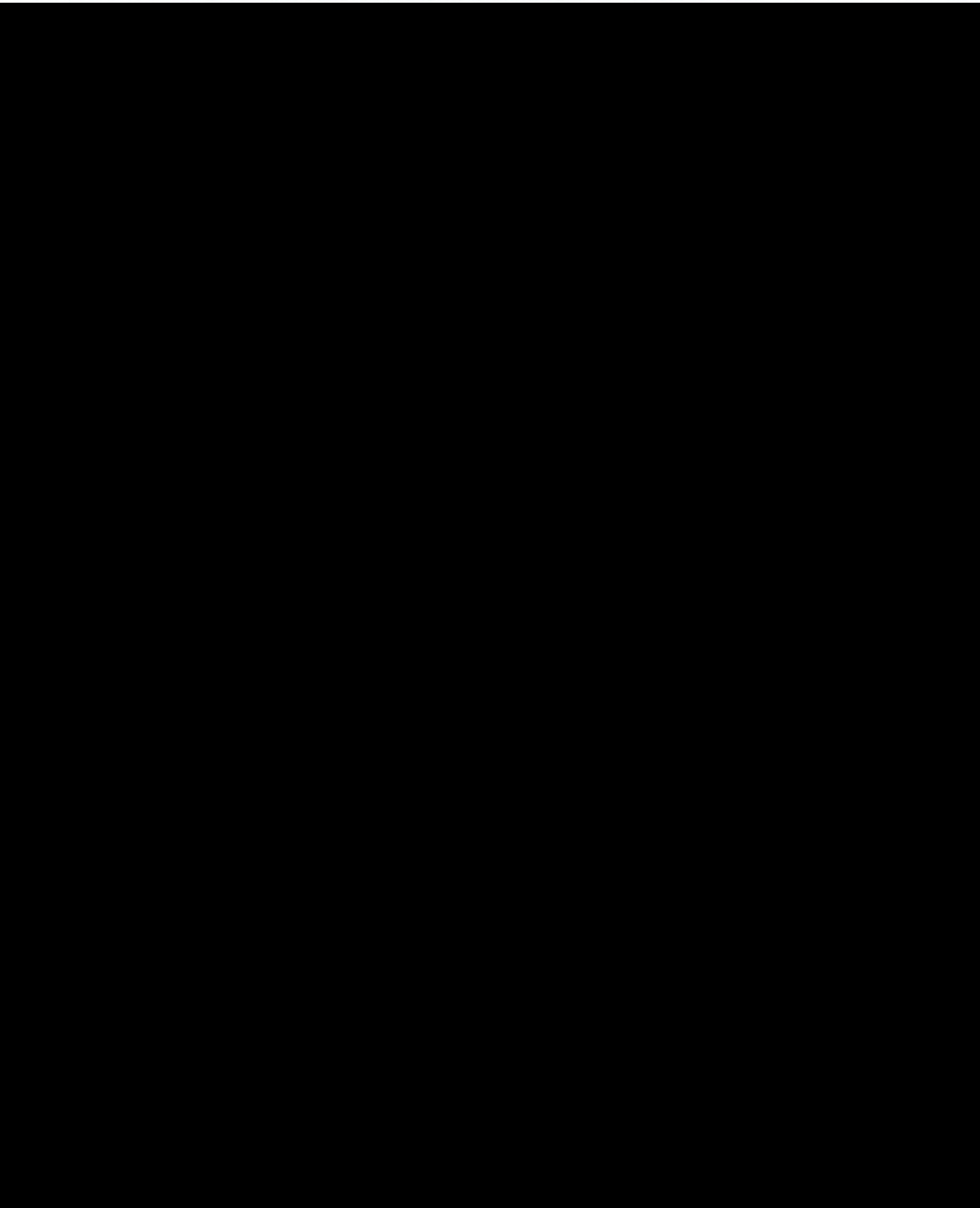
We have no responsibility to update this report on the "forecast" columns in the above mentioned financial statements for events and circumstances occurring after the date of this report.

Respectfully submitted,



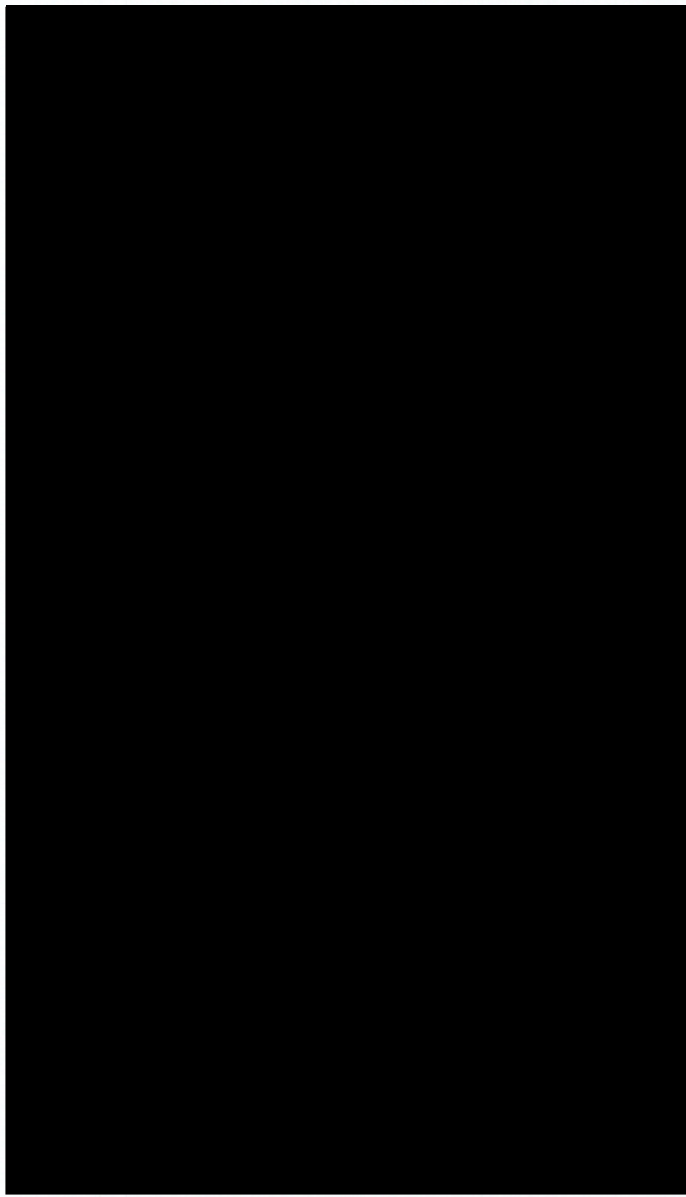
Salvatore R. Peretore
Certified Public Accountant

TRADITIONS RESORT AND CASINO, LLC
 10 YEAR PRO FORMA INCOME STATEMENT (in millions) FORECASTED PER FINANCIAL FEASIBILITY STUDY
 BASE CASE BASIS
 FOR THE 10 YEARS ENDED DECEMBER 31, 2025



REVENUES	Gaming Revenue
	Rooms
	Food & Beverage
	Retail & Other
	Total Gross Revenues
	Less: Promotional Allowances
NET REVENUES	
	State Revenue Sharing Expense
DEPARTMENTAL EXPENSES	Gaming
	Food & Beverage
	Retail & Other
	Rooms
	General, administrative & and undistributed expenses
	Total Departmental Expenses
MANAGEMENT EXPENSES	Construction Period Expenses (Note 4)
	Interest Expense
	Land Lease (Note 15)
	Management Fee (Note 11)
	Charitable Foundation (Note 13)
	Total Management Expenses
NON CASH EXPENSES- Depreciation	
TOTAL EXPENSES	
NET INCOME FROM ALL SOURCES	
	EBITDA

TRADITIONS RESORT AND CASINO, LLC
 10 YEAR PRO FORMA CASH FLOW AND INVESTOR RETURN ANALYSIS (in millions) FORECASTED PER FINANCIAL FEASIBILITY STUDY
 BASE CASE BASIS
 FOR THE 10 YEARS ENDED DECEMBER 31, 2025



NET INCOME FROM CASINO
 Cumulative net income from Casino

ADD: Loans (Note 5)
 Member Investment (Note 7)
 Depreciation Expense

LESS: Purchase of Assets (Note 4)
 Retainer Fee (Note 15)
 Cash Cage Fund (Note 15)
 Working capital
 Gaming License (Note 12)
 Principal Portion of Debt (Note 5)

TOTAL CASH FLOW FROM ALL SOURCES

INVESTORS
NET CASH FLOW TO INVESTORS
 Cumulative Cash Income

TRADITIONS RESORT & CASINO, LLC
FINANCIAL STATEMENTS
FOR THE TEN YEARS ENDED DECEMBER 31, 2025 (FORECASTED)

NOTE 1 - SUMMARY OF SIGNIFICANT (FORECASTED) ASSUMPTIONS:

This financial forecast is management's estimate of the most probable results of operations for the forecast period. Accordingly, the forecast reflects the management's judgment based on present circumstances of the most likely set of conditions and its most likely course of actions. The assumptions herein are those that management believes are significant to the forecast or are key factors upon which the financial results of the Company depend. Some assumptions will inevitably not materialize, and are unanticipated of this forecast. Therefore, the actual results achieved during the forecast period will vary from the forecast, and the variation may be material.

Nature of Operations: The Company will be formed as a limited liability company and the primary business is to operate a gaming casino. In addition to operating a gaming casino, the Company will also operate a hotel, food and beverage operations as well as various retail and entertainment venues including golf and health spas.

The Limited Liability Company's forecasted ownership would consist of 100% ownership by the Walsh family as the general partners.

Accounting Basis: The financial statements are prepared on an accrual basis of accounting in accordance with generally accepted accounting principles. All income and expenses are recorded as received and paid when accrued per the forecasted financial statements for presentation purposes.

Property, Plant, Equipment and Depreciation: Property, plant and equipment are recorded at cost and are depreciated on the accelerated method over the estimated useful lives of the assets, which range from 7 to 40 years, in accordance with generally accepted accounting principles.

Upon sale or retirement of the above assets, the cost and related accumulated depreciation and amortization are eliminated from the accounts and the resulting gain or loss, if any, is reported in the Combined Statement of Income.

Accounts Receivable and Allowance for Uncollectable Accounts: The account receivable balance is stated at actual. The Company utilizes the allowance method of recognition of bad debt on accounts receivables in accordance with generally accepted accounting principles. The company extends credit to its customers and performs ongoing credit evaluations of its customers and generally does not require collateral. No accounts receivable are recorded per the forecasted financial statements for presentation purposes.

Cash and Cash Equivalents: For financial statement purposes, the Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. The carrying value of these investments approximates fair value due to the nature of the maturity period.

Concentration of Risk: The Company will maintain cash balances at financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC) and balances may at times exceed the federally insured limit.

Presentation: The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities at the date of such statements and revenue and expenses during the reporting period. Accordingly, actual could differ from those estimates and assumptions.

See Accountant's Report.

TRADITIONS RESORT & CASINO, LLC
FINANCIAL STATEMENTS (CONTINUED)
FOR THE TEN YEARS ENDED DECEMBER 31, 2025 (FORECASTED)

NOTE 1 - SUMMARY OF SIGNIFICANT (FORECASTED) ASSUMPTIONS (CONTINUED):

Advertising: The Company expenses advertising charges as incurred.

Revenue Recognition: Revenue from the sales are recorded when a service is provided.

Subsequent Events: Management has determined that no events have occurred subsequent to the balance sheet date and through the date of this statement that would require adjustment, or additional disclosure in the financial statements.

Forecasted Income Statement: Management developed the income and expenses based on the market analysis prepared by the Innovation Group which has been included as part of the private placement offering package for the first five years of operation. The remaining five years were projected forward at the same rate of increase as the first five years.

Employee Hiring: Management anticipates hiring up to 1,150 people over the next three years based on the financial forecast. In addition, another few hundred employees will be employed in the fourth and fifth years when the projected expansion of the facilities will facilitate additional hotel, food, beverage and entertainment operations. The cost of additional employment and appropriate payable costs are reflected in the financial forecast for the ten year period ending December 31, 2025.

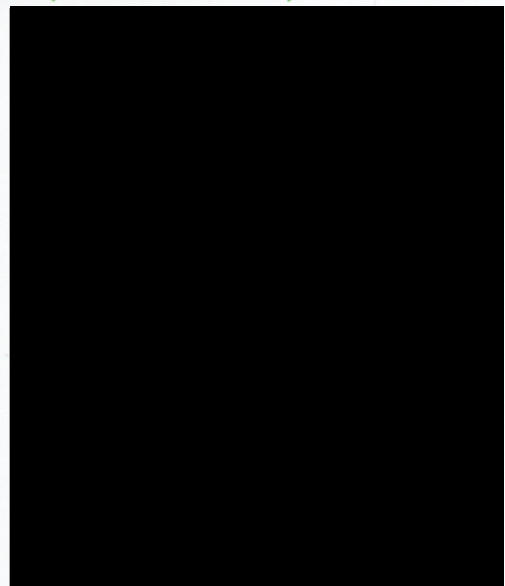
NOTE 2 - INVENTORIES:

Inventories are stated at lower of cost of market and in compliance with generally accepted accounting principles. The cost of inventory is determined by the first-in, first-out basis; however, there was no inventory recorded as an asset per the forecasted financial statements for presentation taken for the ten years ended December 31, 2025.

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment at December 31, 2025 (forecasted) and 2016 (forecasted in millions):

Equipment
Buildings and Improvements
Vehicles
Furniture, Fixtures & Other Assets
Less: Accumulated Depreciation
Net value of Property, Plant and Equipment
Intangible Assets:
Gaming License
Less: Accumulated Amortization



See Accountant's Report.

TRADITIONS RESORT & CASINO, LLC
 FINANCIAL STATEMENTS (CONTINUED)
 FOR THE TEN YEARS ENDED DECEMBER 31, 2025 (FORECASTED)

NOTE 4-SOURCES AND USES OF FUNDS:

The sources of funds will consist of member investments and bank financing. The bank financing will be incurred during both the first and the second phase of the casino development, anticipated to be fully completed by December, 2016. The development would expand the hotel facility, and develop a mall facility that would include new restaurants, retail, and beverage and entertainment venues.

	<u>Amount(in millions)</u>	<u>Ownership %</u>
SOURCE OF FUNDS:		
Walsh family investment value of the hotel and business	[REDACTED]	
Bank Financing	[REDACTED]	
Phase I Construction	[REDACTED]	
Phase II Construction	[REDACTED]	
Total source of funds	[REDACTED]	
USE OF FUNDS:		
Assignment of the hotel, and business	[REDACTED]	
Construction period costs including organizational start-up, interest, and operational expenses (including pre-license cost of \$2.5 million)	[REDACTED]	
Working Capital and Cage Cash Fund	[REDACTED]	
Retainer Fee (see Note 16)(see note below)*	[REDACTED]	
Payment of the gambling license fee before the casino opens (see note 12)	[REDACTED]	
Cost of casino assets including building, furniture, fixtures, inventory and equipment	[REDACTED]	
Phase two of the construction, which would include new hotel, restaurants, retail, beverage and entertainment venues	[REDACTED]	
Total uses of funds	[REDACTED]	

*Retainer fee: The retainer fee will be released from the State of New York at the conclusion of phase two and the funds will be applied against the \$40 million dollar note, thus making the effective actual borrowings to be only \$25 million dollars.

NOTE 5 - LONG-TERM DEBT:

Long-term debt at December 31, 2025 (forecasted) and 2015 (forecasted in millions) consisted of:

	(Forecasted)	(Forecasted)
	2025	2016
[REDACTED]		

See Accountant's Report.

TRADITIONS RESORT & CASINO, LLC
FINANCIAL STATEMENTS (CONTINUED)
FOR THE TEN YEARS ENDED DECEMBER 31, 2025 (FORECASTED)

NOTE 5 – LONG-TERM DEBT: (continued)

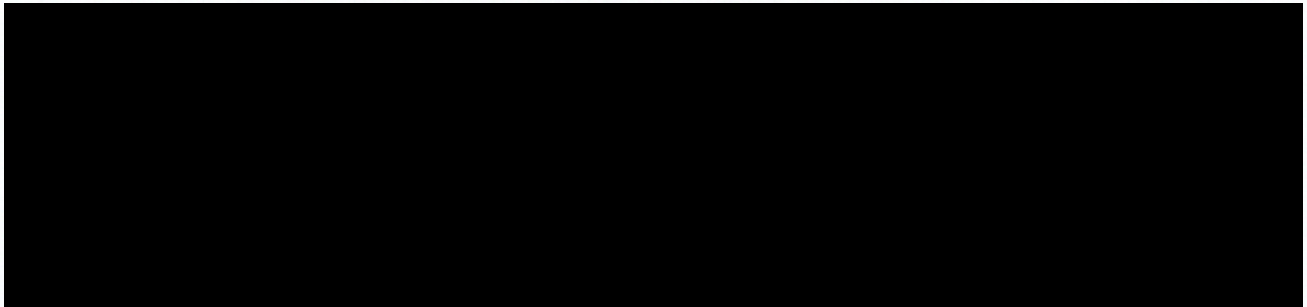
The financing agreement with the bank will include various covenants and conditions including financial covenants and guarantee of indebtedness of the majority member.

NOTE 6 – SHORT-TERM DEBT:

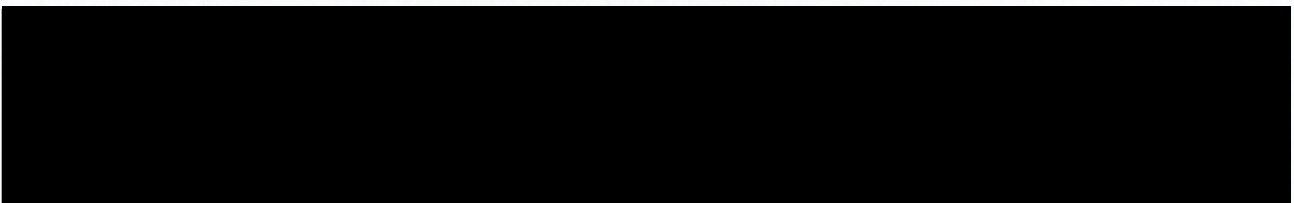
The Company will secure a revolving operating credit with a local bank. The line-of credit will be payable on demand, collateralized by assets of the partnership. There are no short term debts assumed per the forecasted financial statements for presentation purposes.

The partnership anticipates that the financing agreement with the bank may include various covenants and conditions including financial covenants and guarantee of indebtedness of the majority member.

NOTE 7 – RELATED PARTY TRANSACTIONS:



NOTE 8 - INVESTMENT IN LIMITED LIABILITY COMPANY:



NOTE 9 - INCOME TAXES:

By election of the Limited Liability Company, the partnership will elect to be treated as a partnership for tax purposes and be subject to a franchise fee annually payable to the State of New York. All of the partnership income and losses will pass through to the individual members for income tax purposes. For presentation purposes, the financial forecast did not apply any Federal and New York State income tax cost.

NOTE 10 –EMPLOYEE BENEFITS, VACATION, SICK LEAVE AND COMPENSATORY ABSENCES:

Any employment contracts and employee agreements between the partnership and its full-time employees allow for various cumulative and non-cumulative compensated leaves and employment benefits. All employment agreements will be in compliance with both Federal and New York State laws.

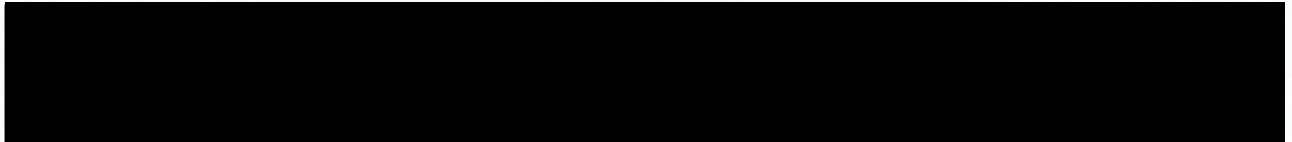
See Accountant's Report.

TRADITIONS RESORT & CASINO, LLC
FINANCIAL STATEMENTS (CONTINUED)
FOR THE TEN YEARS ENDED DECEMBER 31, 2025 (FORECASTED)

NOTE 11 – MANAGEMENT CONTRACT:

The Company intends to contract a professional casino management company that will operate the Casino business. The anticipated costs based on preliminary negotiations with management companies are recorded in the forecasted financial statements.

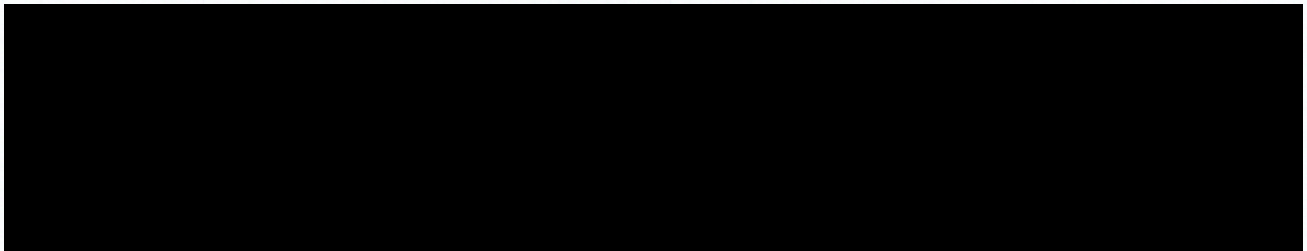
NOTE 12 – GAMBLING LICENSES:



NOTE 13 – CHARITABLE FOUNDATION:

The Company's operating agreement will include a formation of an independent charitable foundation for the purpose of donating funds for the improvement and betterment of the local community. The Company is anticipating it will commit 1/4% of the net annual gross revenue of the entire Company's revenue less any promotional allowances.

NOTE 14 – LAND LEASE



NOTE 15 – SUBSEQUENT EVENTS

Subsequent to the original date the financial forecasts were prepared, New York State issued the RFA (Request for Application) with new restrictions and requirements for the casino operations which required changes to the financial forecasts including, but not limited to, a retainer fee of 10% of the entire project to be held in escrow until the phase II of the project is completed which is expected to be by December 31, 2017. Upon the release of the retainer fee by the State of New York, the funds will be applied directly against the phase II construction loan. Also, a minimum of \$35 million dollar gaming license fee is required which is reflected in the forecasted financial statements. In addition, phase I of the project is required to be completed within one year of the issuance of acceptance of the license.

TRADITIONS RESORT & CASINO, LLC
SUPPLEMENTAL SCHEDULES
FOR THE TEN YEARS ENDED DECEMBER 31, 2025 (FORECASTED)

SUPPLEMENTAL SCHEDULES

TRADITIONS RESORT AND CASINO, LLC
10 YEAR PRO FORMA BALANCE SHEET (in millions) FORECASTED PER FINANCIAL FEASIBILITY STUDY
LOW CASE BASIS
FOR THE 10 YEARS ENDED DECEMBER 31, 2025

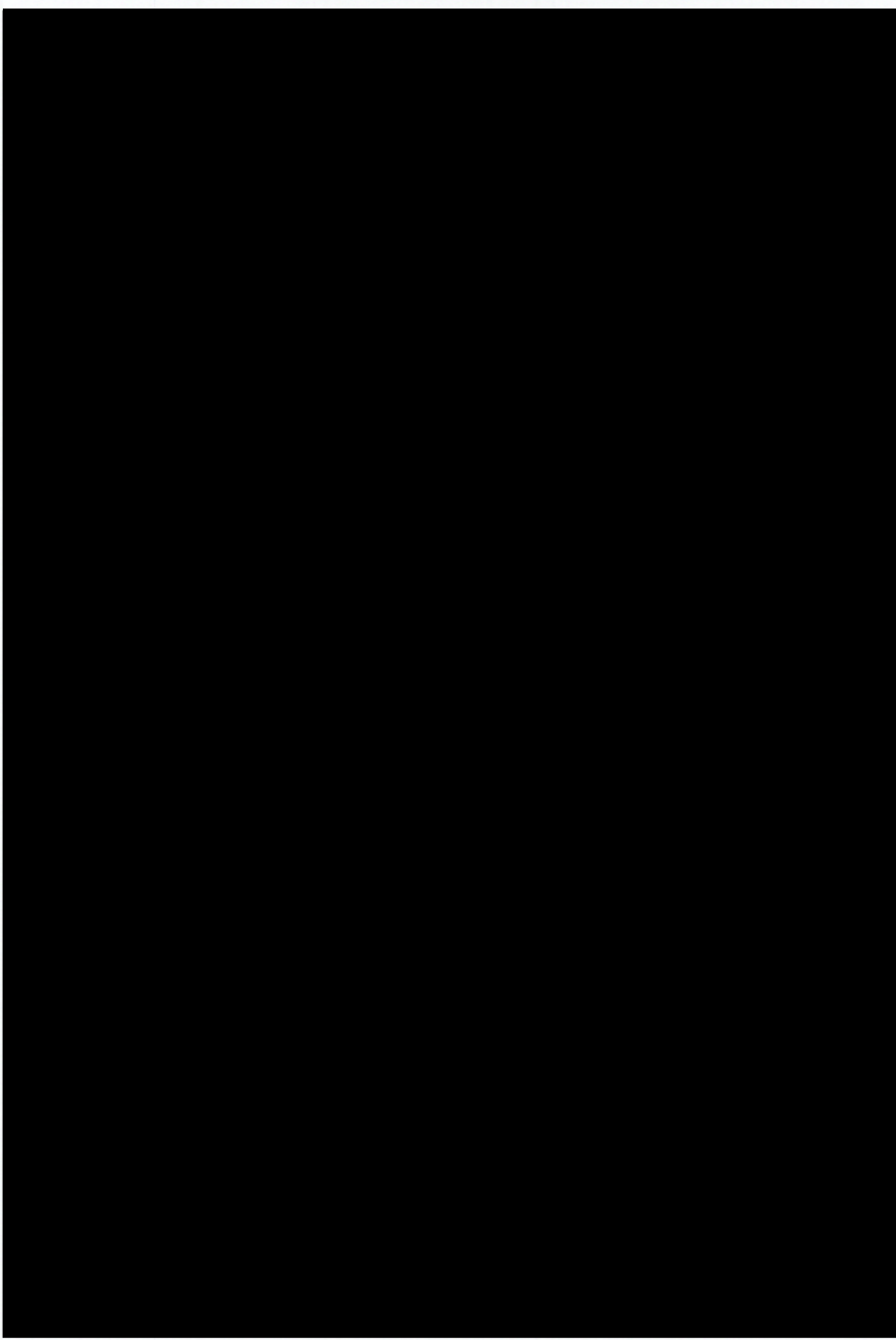
ASSETS
CURRENT ASSETS:
Cash & Cash Equivalents
Retainer Fee (Note 15)
Accounts Receivable -
Total Current Assets
Property, Plant and Equipment Less Accumulated
Depreciation and Amortization
TOTAL ASSETS

LIABILITIES AND EQUITY
CURRENT LIABILITIES:
Accounts Payable
Line of Credit
Current Portion of Long-Term Debt (Note 5)
Total Current Liabilities
Long-Term Debt (Note 5)
TOTAL LIABILITIES

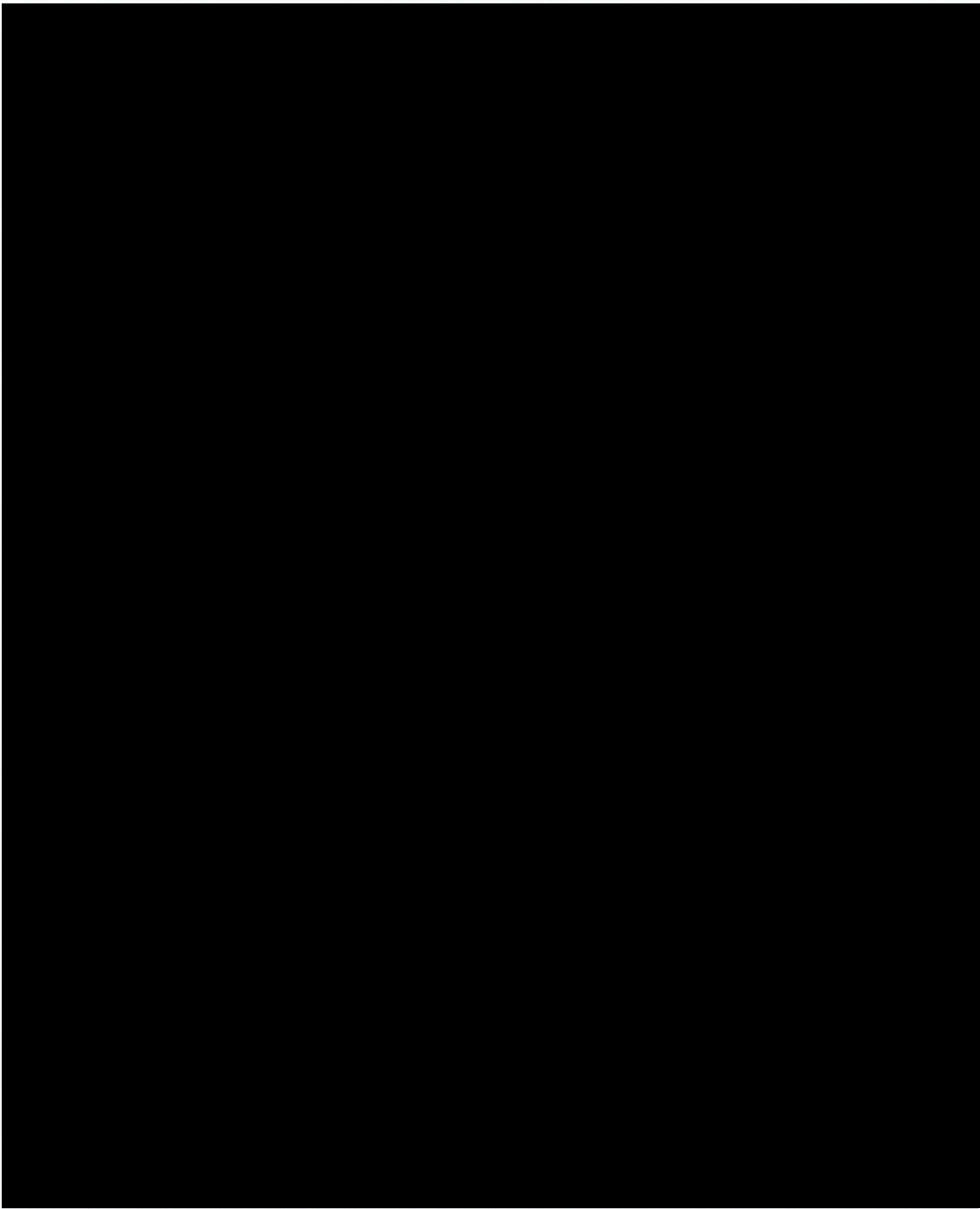
EQUITY:
Partner's Contribution
Partnership income (loss)-prior years-cummulative before distribution
Partnership income (loss)-current year
TOTAL EQUITY

TOTAL LIABILITIES AND EQUITY

Debt to Equity ratio

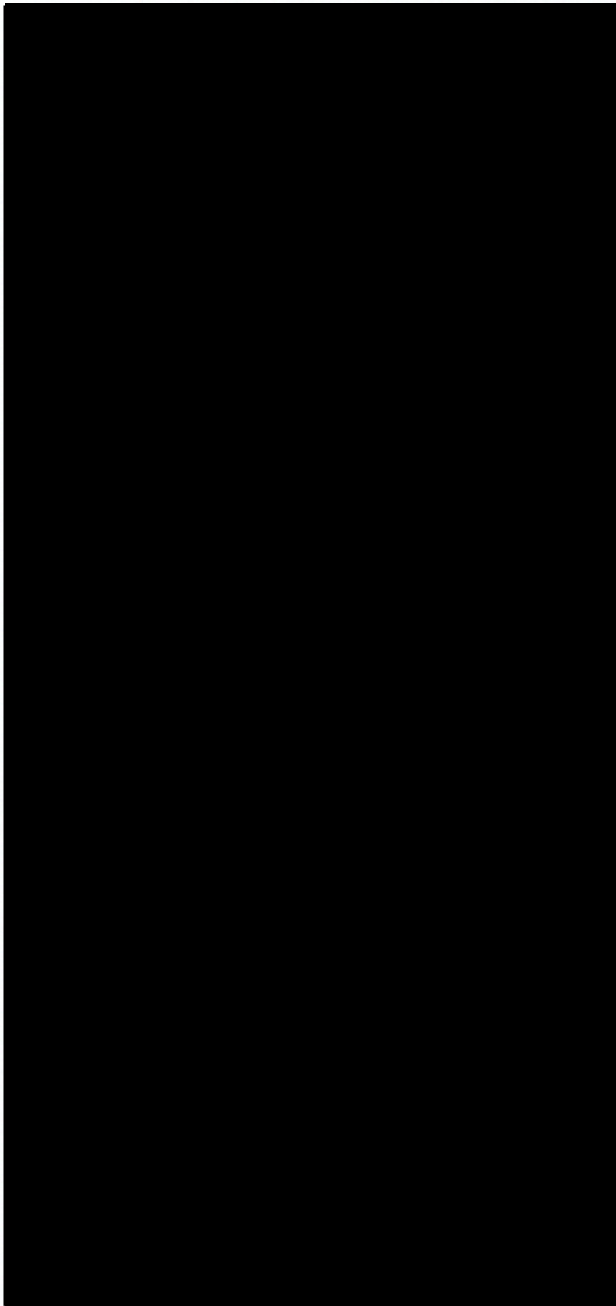


TRADITIONS RESORT AND CASINO, LLC
 10 YEAR PRO FORMA INCOME STATEMENT (in millions) FORECASTED PER FINANCIAL FEASIBILITY STUDY
 LOW CASE BASIS
 FOR THE 10 YEARS ENDED DECEMBER 31, 2025



REVENUES	Gaming Revenue
	Rooms
	Food & Beverage
	Retail & Other
	Total Gross Revenues
	Less: Promotional Allowances
NET REVENUES	
	State Revenue Sharing Expense
DEPARTMENTAL EXPENSES	Gaming
	Food & Beverage
	Retail & Other
	Rooms
	General, administrative & and undistributed expenses
	Total Departmental Expenses
MANAGEMENT EXPENSES	Construction Period Expenses (Note 4)
	Interest Expense
	Land Lease (Note 14)
	Management Fee (Note 11)
	Charitable Foundation (Note 13)
	Total Management Expenses
NON CASH EXPENSES- Depreciation	
TOTAL EXPENSES	
NET INCOME FROM ALL SOURCES	
	EBITDA

TRADITIONS RESORT CASINO, LLC
 10 YEAR PRO FORMA CASH FLOW AND INVESTOR RETURN ANALYSIS (in millions) FORECASTED PER FINANCIAL FEASIBILITY STUDY
 LOW CASE BASIS
 FOR THE 10 YEARS ENDED DECEMBER 31, 2025



NET INCOME FROM CASINO

Cummulative net income from Casino

ADD:

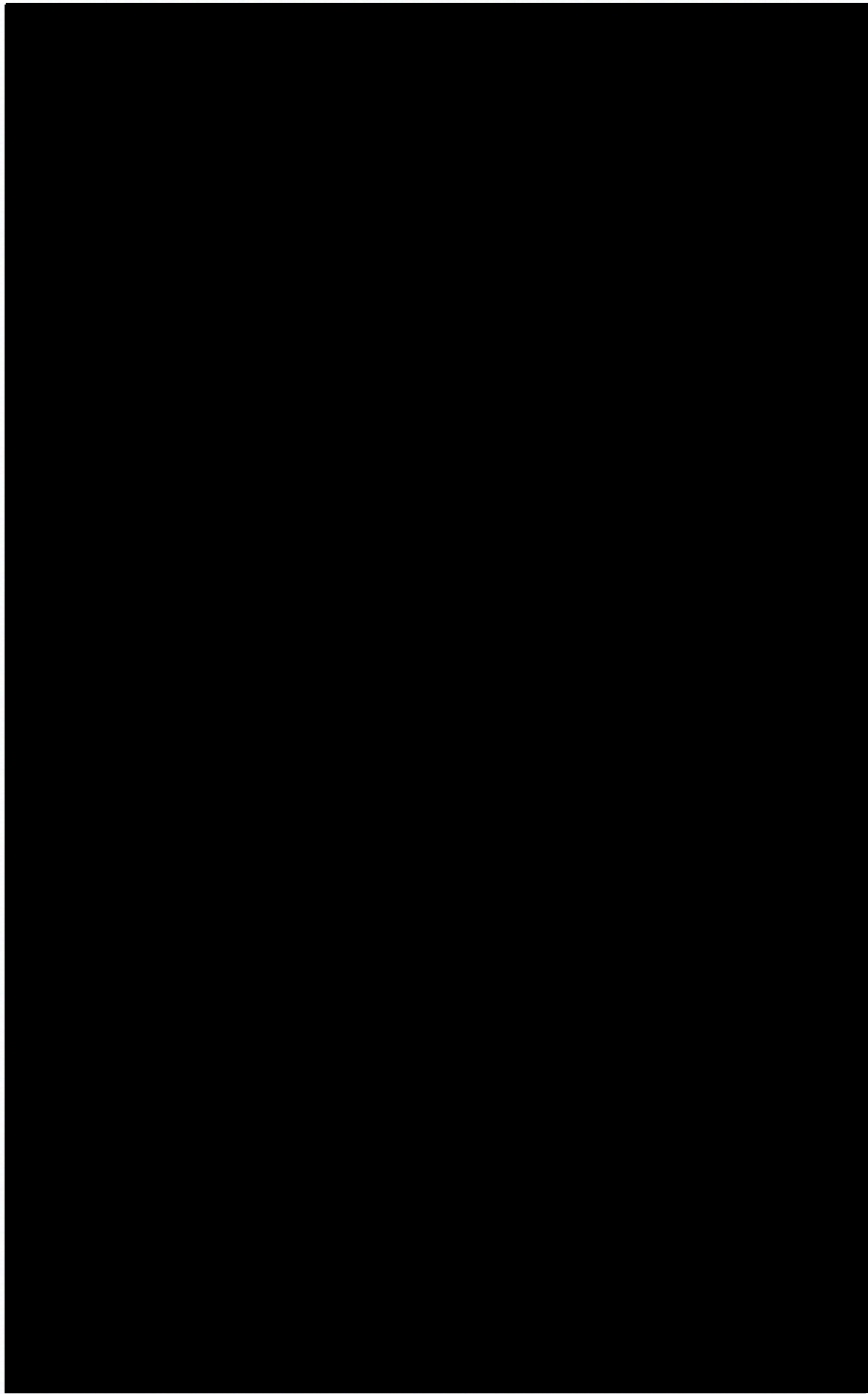
- Loans (Note 5)
- Member Investment (Note 7)
- Depreciation Expense

LESS:

- Purchase of Assets (Note 4)
- Retainer Fee (Note 15)
- Cash Cage Fund (Note 15)
- Working capital
- Gaming License (Note 12)
- Principal Portion of Debt (Note 5)

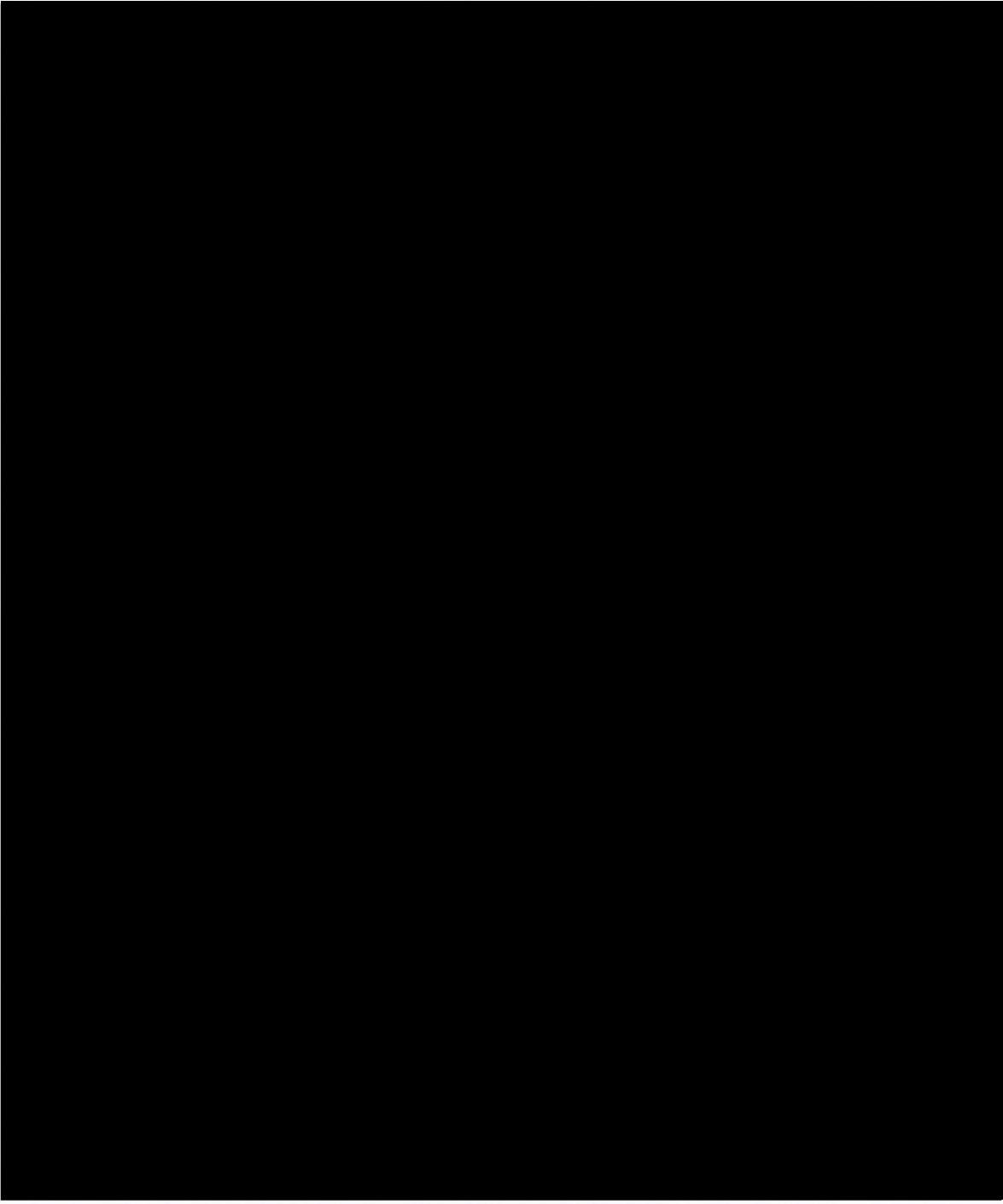
TOTAL CASH FLOW FROM ALL SOURCES

TRADITIONS RESORT AND CASINO, LLC
 10 YEAR PRO FORMA BALANCE SHEET (in millions) FORECASTED PER FINANCIAL FEASIBILITY STUDY
 HIGH CASE BASIS
 FOR THE 10 YEARS ENDED DECEMBER 31, 2025



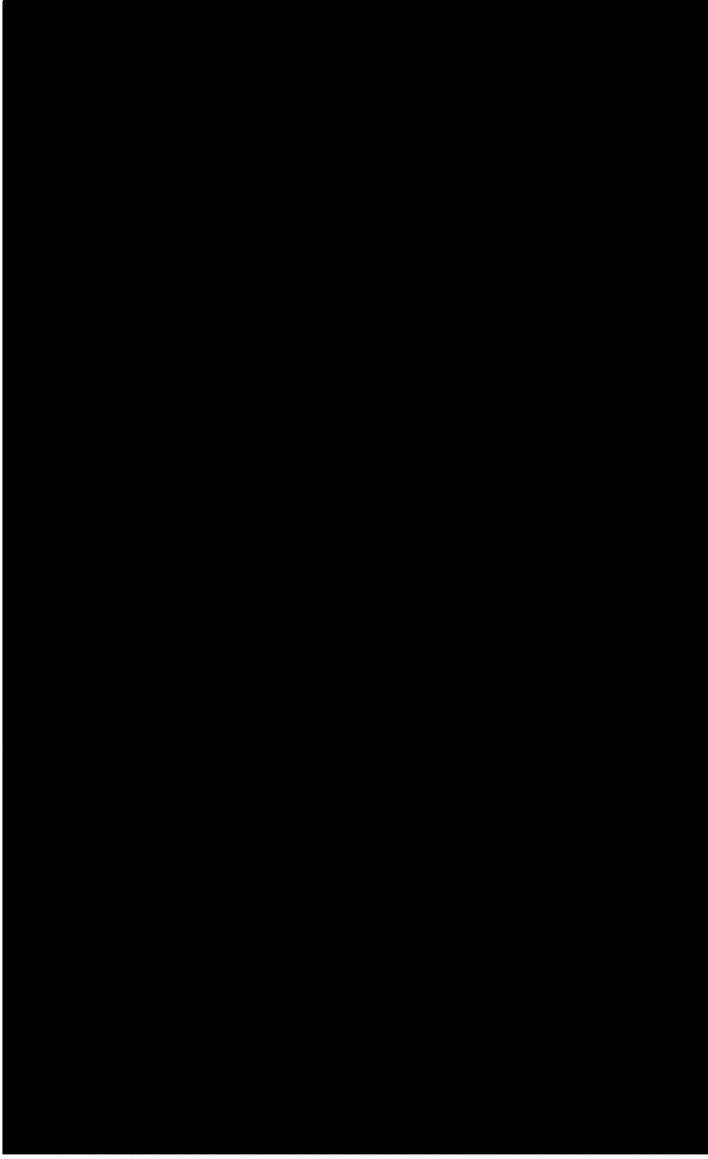
ASSETS	
CURRENT ASSETS:	
Cash & Cash Equivalents	
Retainer Fee (Note 15)	
Accounts Receivable -	
Total Current Assets	
Property, Plant and Equipment Less Accumulated Depreciation and Amortization	
TOTAL ASSETS	
LIABILITIES AND EQUITY	
CURRENT LIABILITIES:	
Accounts Payable	
Line of Credit	
Current Portion of Long-Term Debt (Note 5)	
Total Current Liabilities	
Long-Term Debt (Note 5)	
TOTAL LIABILITIES	
EQUITY:	
Members Contribution	
Partnership income (loss)-prior years-cumulative before distribution	
Partnership income (loss)-current year	
TOTAL EQUITY	
TOTAL LIABILITIES AND EQUITY	
	Debt to Equity ratio

TRADITIONS RESORT AND CASINO, LLC
 10 YEAR PRO FORMA INCOME STATEMENT (in millions) FORECASTED PER FINANCIAL FEASIBILITY STUDY
 HIGH CASE BASIS
 FOR THE 10 YEARS ENDED DECEMBER 31, 2025



REVENUES	
	Gaming Revenue
	Rooms
	Food & Beverage
	Retail & Other
	Total Gross Revenues
	Less: Promotional Allowances
NET REVENUES	
	State Revenue Sharing Expense
DEPARTMENTAL EXPENSES	
	Gaming
	Food & Beverage
	Retail & Other
	Rooms
	General, administrative &
	and undistributed expenses
	Total Departmental Expenses
MANAGEMENT EXPENSES	
	Construction Period Expenses (Note 4)
	Interest Expense
	Land Lease (Note 14)
	Management Fee (Note 11)
	Charitable Foundation (Note 13)
	Total Management Expenses
NON CASH EXPENSES- Depreciation	
TOTAL EXPENSES	
NET INCOME FROM ALL SOURCES	
	EBITDA

TRADITIONS RESORT AND CASINO, LLC
 10 YEAR PRO FORMA CASH FLOW AND INVESTOR RETURN ANALYSIS (in millions) FORECASTED PER FINANCIAL FEASIBILITY STUDY
 HIGH CASE BASIS
 FOR THE 10 YEARS ENDED DECEMBER 31, 2025



NET INCOME FROM CASINO

Cummulative net income from Casino

ADD:

Loans (Note 5)
 Member Investment (Note 7)
 Depreciation Expense

LESS:

Purchase of Assets (Note 4)
 Retainer Fee (Note 15)
 Cash Cage Fund (Note 15)
 Working capital
 Gaming License (Note 12)
 Principal Portion of Debt (Note 5)

TOTAL CASH FLOW FROM ALL SOURCES

Annual cash flow before taxes

NET CASH FLOW TO INVESTORS

Cummulative Cash Income