



# MM PROTON I, LLC

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FINANCIAL UPDATE

*Q4 2025*



# CONTENTS

- **Asset Overview**
- **NYPM (Lessee) Performance**
  - **Patient Volume**
  - **Financial Performance**
- **MM Proton Financials**
  - **Balance Sheet**
  - **Income Statement**
  - **Statement of Changes in Cash**
  - **Notes**
- **Management Summary**



# ASSET OVERVIEW

- MM Proton I, LLC was formed in 2014 for the sole purpose of financing and constructing a proton radiation cancer treatment facility in NYC.
- The New York Proton Center proton facility, which was completed in 2019, is MM Proton's only investment.
- MM Proton leases 100% of the facility to New York Proton Management, a consortium of 3 NYC hospitals: Memorial Sloan Kettering Cancer Center, Mount Sinai Hospital, and Montefiore Medical Center. Lessee operates the Center and the facility. There are 24 years remaining of a 25-year base lease term
- Fixed Base Rent in 2025 was \$28,560,000. Base Rent increases 2.0% on the first day of each calendar year.
- In addition to Base Rent, Lessee pays MM Proton a percentage of Lessee's net annual excess cash flows pursuant to an Excess Cash Flow (ECF) Agreement. ECF receipts in 2025 totaled \$3,300,284.
- The Lease is completely "net", with Lessee paying 100% of all facility operating and capital costs, including insurance and taxes.
- MM Proton's only source of revenues is the rent and ECF payments it receives from Lessee.
- MM Proton's ability to service the bond debt is highly dependent on Lessee's ability to pay the Rent and ECF payments.



## LESSEE'S BUSINESS

- Lessee provides proton radiation treatment to cancer patients.
- Lessee holds the only license to provide proton radiation treatment in New York State.
- Lessee has been treating patients at the facility since 2019.
- Lessee's revenues are a product of:
  - Patient treatment volume
  - Contractual payor reimbursement rates
  - Patient payor contract mix under a variety of contracts (Medicare, Medicaid, Commercial)
  - Patient mix (IE cancer type, location, and treatment complexity)
- 99% of the Center's patients are covered under in-place insurance contracts or are otherwise pre-approved by a payor for reimbursement.
- The Center is staffed for 100% utilization, resulting in Lessee's expenses being more than 90% fixed relative to volume variances.

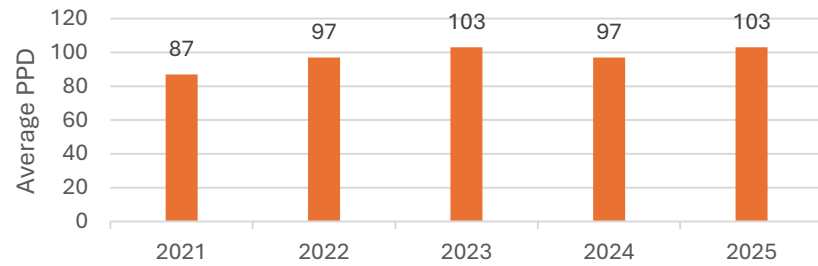


# LESSEE'S PATIENT VOLUME

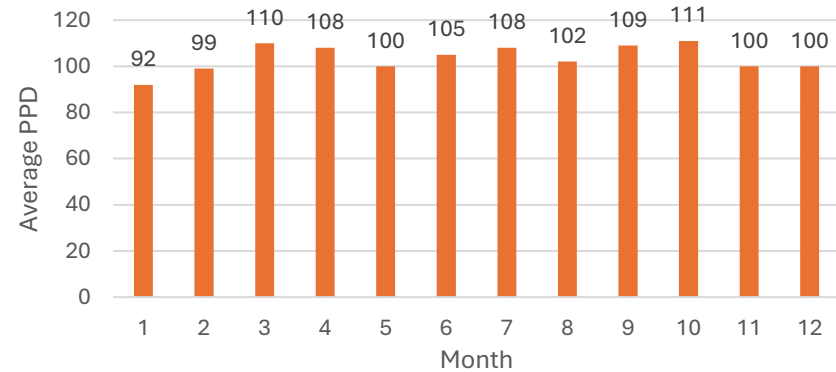
For 2026 Lessee has budgeted an average volume of **105** treated Patients Per Day (PPD). The January 2026 volume averaged **107** PPD.

Below are Lessee's historical PPD averages.

### Historical Average Annual Patients Per Day

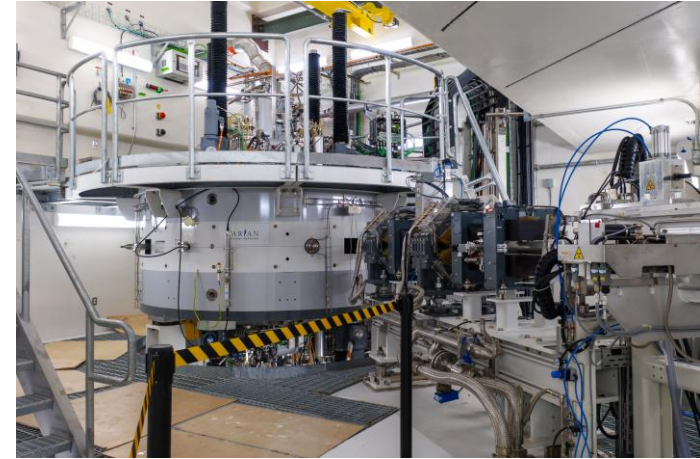


### 2025 Average Monthly Patients Per Day



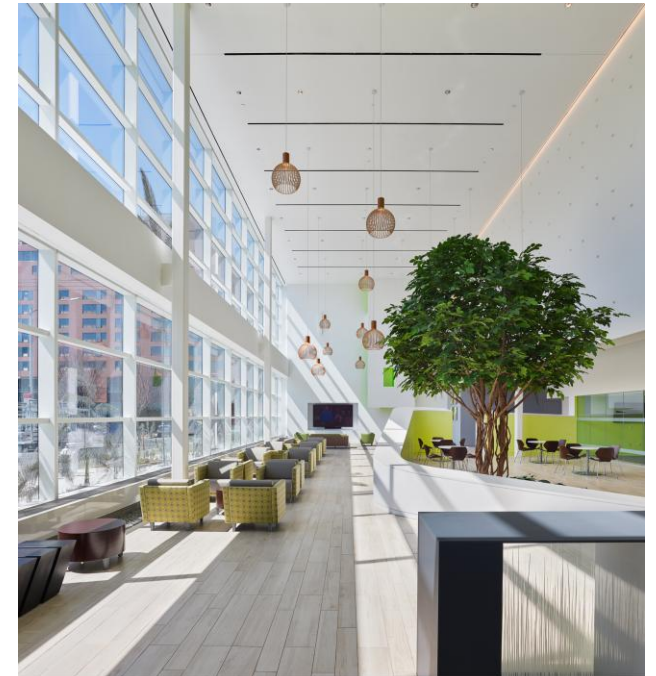
# LESSEE'S FINANCIAL PERFORMANCE

	FY 2025		FY 2026
	Budget	Actual	Budget
Patient Volume: (# of treatments)	26,396	26,368	26,880
Revenue:	\$ 98,351,941	\$ 99,027,480	\$ 102,281,111
Expenses: (Net of deprec, amort, rent)	\$ 65,191,194	\$ 65,756,662	\$ 68,798,942
EBITDAR:	\$ 33,160,747	\$ 33,270,818	\$ 33,482,169



# MM PROTON BALANCE SHEET

	<b>ASSETS</b>	
	<b>Q4 2025</b>	<b>FY 2024</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Cash	\$ 123,971	2,060,042
Real estate, net of accumulated depreciation	192,462,470	197,317,465
Interest rate cap, at fair value	-	18,480
Deferred rent receivable	8,818,930	895,476
Deferred leasing costs, net of accumulated amortization	312,596	325,666
<b>Total Assets</b>	<b>\$ 201,717,967</b>	<b>200,617,129</b>
	<b>LIABILITIES AND MEMBER'S EQUITY</b>	
<b>Liabilities:</b>		
Bond payable, net of unamortized debt discount and deferred financing costs	\$ 236,075,724	-
Loan payable, net of unamortized debt discount and deferred financing costs	-	136,420,214
Accounts payable and accrued expenses	113,889	256,626
Interest payable	-	1,280,124
Due to member	-	26,470
<b>Total Liabilities</b>	<b>236,189,613</b>	<b>137,983,434</b>
<b>Member's (Deficit)/Equity</b>	<b>(34,471,646)</b>	<b>62,633,695</b>
<b>Total Liabilities and Member's (Deficit)/Equity</b>	<b>\$ 201,717,967</b>	<b>200,617,129</b>



# MM PROTON INCOME STATEMENT

	<b>Q4 2025</b> <b>(unaudited)</b>	<b>YTD 2025</b> <b>(unaudited)</b>	<b>FY 2024</b> <b>(audited)</b>
<b>Revenue:</b>			
Rental income	\$ 9,557,143	39,783,738	31,004,773
<b>Expenses:</b>			
Interest expense	7,409,424	19,784,136	22,236,760
Depreciation and amortization	1,217,016	4,868,065	5,208,926
Professional and administrative fees	1,177,028	1,705,286	2,227,701
Loss on extinguishment of debt	11,820,844	11,820,844	1,378,151
Collateral agent fee	-	-	100,000
Administrative agent fee	-	-	150,000
Asset management fee	-	50,000	200,000
Total Expenses	21,624,312	38,228,331	31,501,538
<b>Net Income (Loss) from Operations</b>	<b>(12,067,169)</b>	<b>1,555,407</b>	<b>(496,765)</b>
<b>Other Income/(Expenses):</b>			
Other Income	131,057	131,057	-
Unrealized gain/(loss) on interest rate cap	65,695	65,695	(65,695)
<b>Net Income/(Loss)</b>	<b>\$ (11,870,417)</b>	<b>1,752,159</b>	<b>(562,460)</b>



# MM PROTON STATEMENT OF CHANGES IN CASH BALANCES

		<b>YTD 2025</b> <b>(unaudited)</b>
<b>Cash Flows from Operating Activities:</b>		
Net income		\$ 1,752,159
Adjustments to reconcile net income to net cash provided by operating activities:		
Adjustment for deferred financing and debt discount amortization included in interest expense	\$ 2,254,043	
Adjustment for write off of financing costs included in loss on extinguishment	7,842,552	
Depreciation and amortization	4,868,065	
Unrealized gain on interest rate cap	(65,695)	
Increase in deferred rent receivable	(7,923,454)	
Decrease in accounts payable and accrued expenses	(139,587)	
Decrease in due to member	(26,470)	
Decrease in interest payable	<u>(1,280,124)</u>	
Total Adjustments		<u>5,529,330</u>
Net Cash Provided by Operating Activities		<u>7,281,489</u>
<b>Cash Flows from Financing Activities:</b>		
Proceeds from bond payable		245,000,000
Repayment of loan payable		(145,931,093)
Payment of bond financing costs		(9,428,967)
Distributions		<u>(98,857,500)</u>
Net Cash Used in Financing Activities		<u>(9,217,560)</u>
<b>Net Decrease in Cash</b>		<b>(1,936,071)</b>
<b>Cash:</b>		
Beginning of year		<u>2,060,042</u>
End of year		<u>\$ 123,971</u>





# MM PROTON – NOTES

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## Organization and Purpose

MM Proton I, LLC (“MMPI”) was formed in 2014 under the laws of the State of Delaware to purchase land and to finance, develop and lease the facility located at 225 East 125<sup>th</sup> Street, Manhattan, NY, USA, known as The New York Proton Center. The facility, which was purpose-built to house a proton radiation cancer treatment system, was completed in 2019. MMPI is a sole-purpose entity, with the facility being its sole investment asset.

## Accounting Method

MMPI prepares its financial statements on the accrual method in accordance with accounting principals generally accepted in the United States of America (“GAAP”).

## Accounting for Real Estate

The real estate consists of land and building, which are recorded at cost and depreciated on a straight-line basis over, initially, 39 years. On November 22, 2024, MMPI increased its estimate of the facility’s estimated life to 48 years, of which 42 years remain as of December 31, 2025.

## Accounting for Lease

Effective November 22, 2024, MMPI entered into a restated Lease of the entire property to New York Proton Management, LLC as Lessee. The restated Lease has a base term of 25 years, with options to renew for two additional 9-year terms. Under the Lease, fixed Base Rent for calendar year 2025 was \$28,560,000. The Base Rent automatically increases by 2.0% on the first day of each calendar year. Under GAAP rules, rental income is recognized on a straight-line basis over the base lease term, which is 25 years commencing November 22, 2024. Under GAAP, Base Rent revenue of \$36,483,456 was recognized in 2025, which exceeded the actual Base Rent due under the Lease by \$7,923,456. All Base Rent payments in 2025 were received as and when due. Total Rental Income includes Base Rent and ECF payments.

## Excess Cash Flow Agreement

On November 22, 2024, MMPI entered into an Excess Cash Flow Agreement (the “ECF”) with Lessee. Under the ECF, Lessee pays MMPI, in addition to Base Rent, certain percentages of Lessee’s net annual excess cash flow. Under the ECF, in 2025 Lessee was required to pay MMPI 100% of the first \$2,040,000 of Lessee’s net excess cash flows. The \$2,040,000 threshold increases by 2.0% on the first of every calendar year. In addition, under the ECF Lessee pays MMPI 50% of any remaining excess cash flows. In 2025 Lessee’s ECF payments totaled \$3,300,284. ECF payments are recorded as revenue when received.



# MM PROTON – NOTES cont'd

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## Rental Income

Rental Income includes Base Rent and ECF payments received.

## 2024 Restructuring and Refinancing

On May 29, 2024, MMPI effectuated a restructuring and refinancing. MMPI obtained a new senior secured loan in the amount of \$150,000,000 from Nomura, the proceeds of which were used to pay off MMPI's senior secured loan to JPMorgan. At the same time, MMPI's two junior unsecured loans (Goldman Sachs and Siemens) were extinguished and assumed on behalf of MMPI by MM Proton I Holdco, LLC ("Holdco"), which, through MM Proton I Pledgor ("Pledgor"), owns 100% of MMPI's capital.

## 2025 Refinancing

On October 6, 2025, MMPI issued \$245,000,000 of bonds, the proceeds of which were used to: (1) pay off the Nomura senior secured loan and, (2) pay off the 2 junior notes (Goldman Sachs, and Siemens) that had been assumed by Holdco on behalf of MMPI in 2024. The payments of the junior loans by MMPI were recorded as distributions to Holdco, resulting in a reduction in MMPI Member's equity from \$62,633,695 to (\$34,471,646). At the time of the bond issuance, MMPI posted a one time loss on extinguishment of debt of \$11,820,844, which consists mainly of the write-off of previously capitalized deferred financing costs related to the Nomura loan, the write-off of previously capitalized debt discount related to the Nomura loan, and pre-payment penalties related to the Nomura loan.

On February 17, 2026, the bonds (ISIN NO0013633701) were listed on the Euronext ABM exchange.

# MANAGEMENT COMMENTS

- Lessee's business remains stable, with little variability in payor mix and patient mix .
- Lessee is forecasting a 2% increase in patient volume in 2026.
- Lessee has been appealing its Medicare reimbursement rate since 2020. In 2026 Lessee anticipates finalizing a settlement with CNS, the commission that sets Medicare reimbursements rates in the US. Lessee anticipates that the settlement will include an approximately \$8,000,000 lump sum payment in 2026, and an approximately 40% increase in its Medicare reimbursement rate going forward. Through MM Proton's Excess Cash Flow ("ECF") agreement with Lessee, MM Proton anticipates the receipt of 50% of the settlement amount.
- For Fiscal Year 2026, based on Lessee's annual budget and its anticipated CNS settlement, MM Proton projects total revenues of approximately \$34,600,000, consisting of \$29,131,200 of Base Rent, and approximately \$5,500,000 of ECF payments.
- Management is not now aware of any matters or issues that would negatively impact Lessee's 2026 outlook.

