



# THIRD QUARTER 2024 EARNINGS PRESENTATION

November 7, 2024

# FORWARD-LOOKING STATEMENTS



This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the use of forward-looking terminology such as “expects,” “believes,” “estimates,” “projects,” “intends,” “plans,” “goal,” “seeks,” “may,” “will,” “should,” or “anticipates” or the negative or other variations of these or similar words, or by discussions of future events, strategies or risks and uncertainties. Specifically, forward-looking statements include, but are not limited to, statements regarding: future revenue and Adjusted EBITDAR; the Company’s expectations of future results of operations and financial condition; the assumptions provided regarding the guidance, including the scale and timing of the Company’s product and technology investments; the Company’s expectations regarding results and customer growth, retention and spend; the impact of competition, in retail/mobile/online sportsbooks, iCasino, social gaming, and retail operations; the Company’s development and launch of its Interactive segment’s products in new jurisdictions and enhancements to existing Interactive segment products, including products and content for ESPN BET and theScore Bet; the benefits of the Sportsbook Agreement between the Company and ESPN; the Company’s expectations regarding its Sportsbook Agreement with ESPN and the future success of ESPN BET; the Company’s expectations with respect to the integration and synergies related to the Company’s integration of theScore and the continued growth and monetization of the Company’s media business; the Company’s expectations that its portfolio of assets provides a benefit of geographically-diversified cash flows from operations; the Company’s plan to expand gaming operations through the implementation and execution of a disciplined capital expenditure program at our existing properties, the pursuit of strategic acquisitions and investments, and the development of new gaming properties, including the prospective development projects; improvements, expansions, or relocations of our existing properties; entrance into new jurisdictions; expansion of gaming in existing jurisdictions; strategic investments and acquisitions; cross-sell opportunities between our retail gaming, online sports betting (OSB), and iCasino businesses; our ability to obtain financing for our development projects on attractive terms; the timing, cost and expected impact of planned capital expenditures on the Company’s results of operations; and the actions of regulatory, legislative, executive, or judicial decisions at the federal, state, provincial, or local level with regard to our business and the impact of any such actions.

Such statements are all subject to risks, uncertainties and changes in circumstances that could significantly affect the Company’s future financial results and business. Accordingly, the Company cautions that forward looking statements contained herein are qualified by important factors that could cause actual results to differ materially from those reflected by such statements. Such factors include: the effects of economic and market conditions in the markets in which the Company operates or otherwise, including the impact of global supply chain disruptions, price inflation, rising interest rates, slowing economic growth, and geopolitical uncertainty; competition with other entertainment, sports content, and gaming experiences; the timing, cost and expected impact of product and technology investments; risks relating to operations, permits, licenses, financings, approvals and other contingencies in connection with growth in new or existing jurisdictions; our ability to achieve the anticipated financial returns from the Sportsbook Agreement with ESPN, including due to fees, costs, taxes or circumstances beyond the Company’s or ESPN’s control; the timing, cost and expected impact of product and technology investments; the ability of the Company or ESPN to retain and hire key personnel; our ability to successfully acquire and integrate new properties and operations; our ability to maintain our gaming licenses and concessions and comply with applicable gaming laws, current laws, rules or other industry standards, and additional risks and uncertainties described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, each as filed with the U.S. Securities and Exchange Commission. The Company does not intend to update publicly any forward-looking statements except as required by law. Considering these risks, uncertainties and assumptions, the forward-looking events discussed in this presentation may not occur.

# RECENT COMPANY HIGHLIGHTS



Stable consumer demand in our retail business was offset by unfavorable hold in the Northeast, severe weather in the South, and accelerated hotel remodeling

Product improvements and a disciplined promotional strategy helped drive Q3 Y/Y OSB NGR growth of >200%

September launch of ESPN BET in New York expanded our OSB footprint to 19 U.S. states, providing greater scale and efficiency

Officially launched ESPN ↔ ESPN BET Account Linking on October 30<sup>th</sup>, which is foundational for future personalization

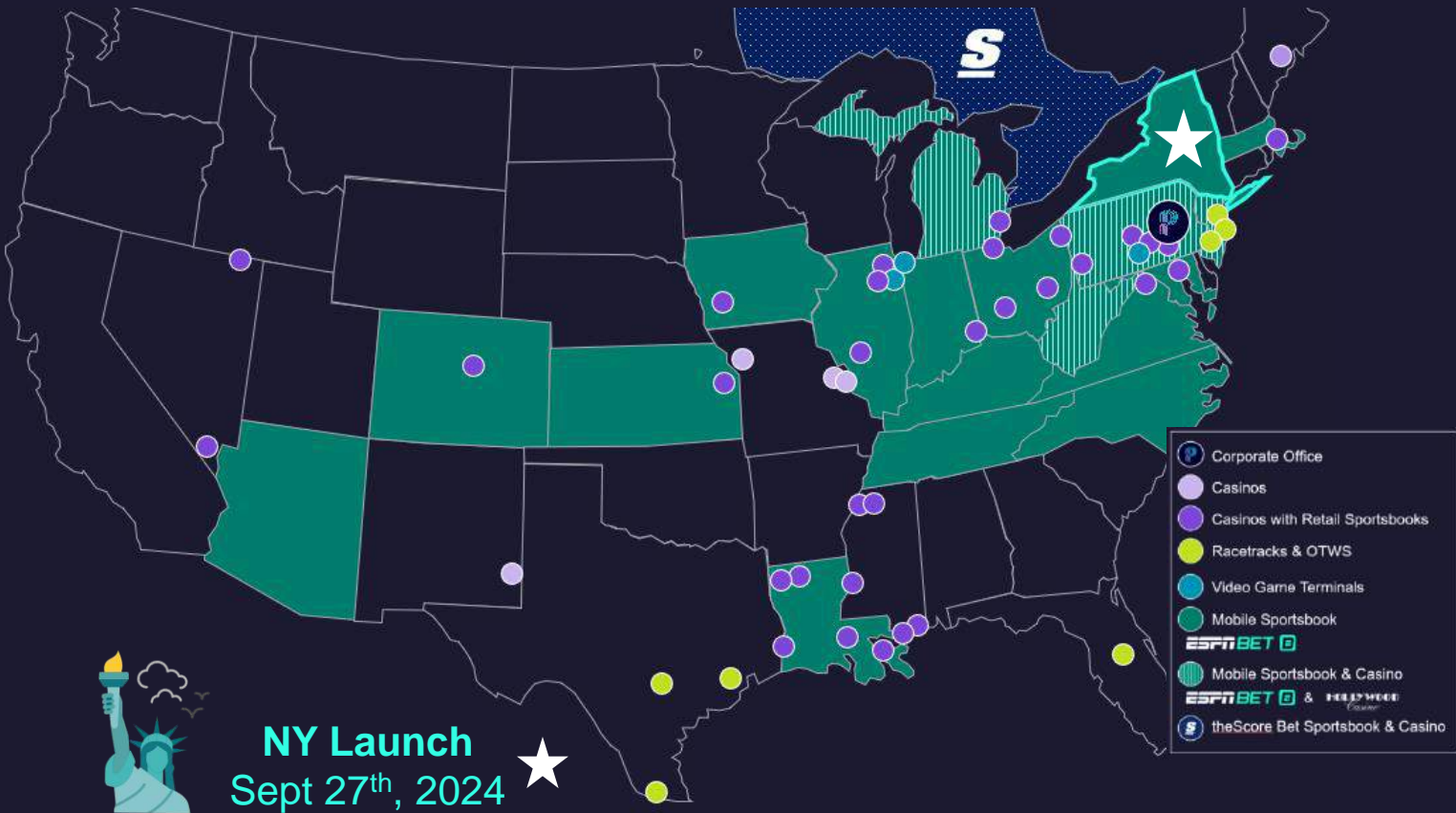
We ended the quarter with total liquidity of \$1.8 billion inclusive of \$834 million in cash and cash equivalents

# HEALTHY RETAIL BUSINESS

Stable consumer demand in our retail business was offset by unfavorable hold in the Northeast, severe weather in the South, and accelerated hotel remodeling at L'Auberge Lake Charles

Stronger Start to Q4

**+3.6% Y/Y Slot Volume Growth**  
through the first 5 weeks of Q4, led by  
strength in MI, OH, and St. Louis



# GROWTH PROJECTS ON TRACK

Hollywood  
Joliet (IL)



Relocation

Hollywood  
Aurora (IL)



Relocation

Hollywood  
Columbus (OH)



Hotel Tower

M Resort (NV)



Hotel Tower



2H 2025



1H 2026



1H 2026



1H 2026

# ESPN BET RETAIL SPORTSBOOKS

We unveiled 7 new ESPN BET branded retail sportsbooks in the quarter as we continue to implement our rebranding strategy across our portfolio

## Recent Retail Sportsbook Rebrandings **ESPN BET** <sup>(1)</sup>

- Hollywood Kansas Speedway (KS)
- L'Auberge Baton Rouge (LA)
- Margaritaville Bossier City (LA)
- Hollywood Columbus (OH)
- Hollywood Perryville (MD)
- Hollywood Toledo (OH)
- L'Auberge Lake Charles (LA)



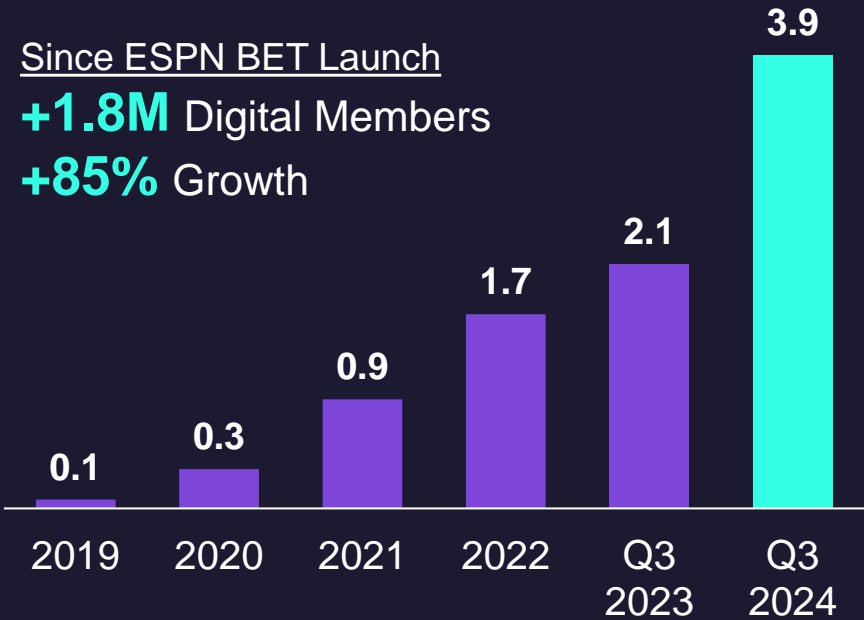
(1) We rebranded 7 retail sportsbooks to ESPN BET in Q3 2024, which takes us to 8 total. Our retail sportsbook at Hollywood Greektown was rebranded in Q2 2024.

# INTERACTIVE TOP-OF-FUNNEL SUCCESS CONTINUES

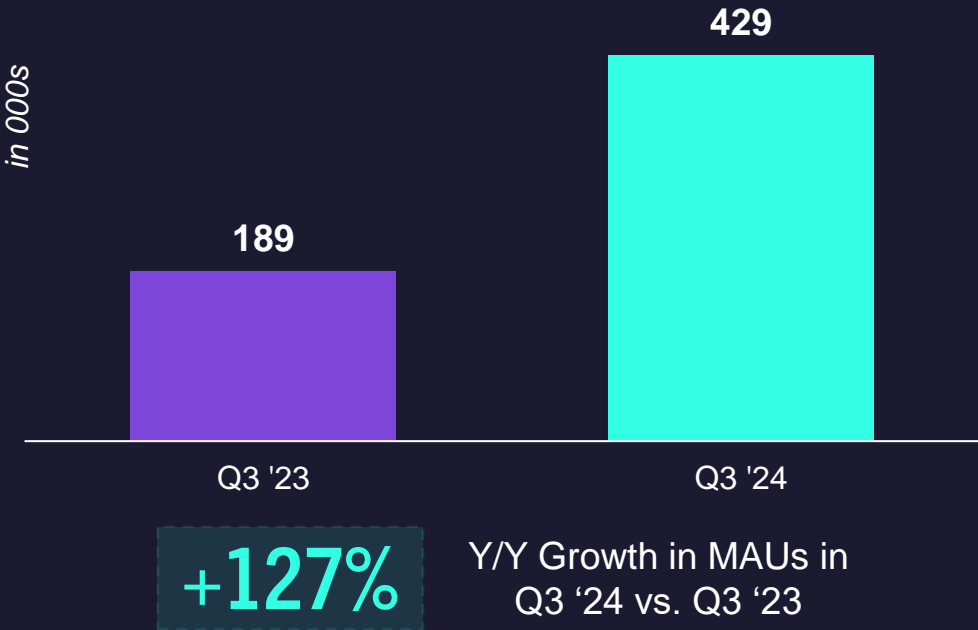


ESPN BET has driven meaningful growth in both our digital database and active user base, providing a strong foundation for future growth as we introduce further product improvements

Total Digital Database (M)



Average Monthly Active Users<sup>(1)</sup>



(1) Quarterly Average Monthly Active Users refers to our Average MAUs across OSB & iCasino globally in the period. MAUs are defined as the number of unique paid users per month that had at least one real money paid engagement across our Online Sports Betting and Online Casino products globally.

# RETAINING STRONG BASE OF ACTIVE USERS

The ESPN BET brand is attracting a strong base of users, with significant upside as monetization continues to improve



Sensor Tower

Weekly Average Users

**#3**

*Sportsbook*

**16%**

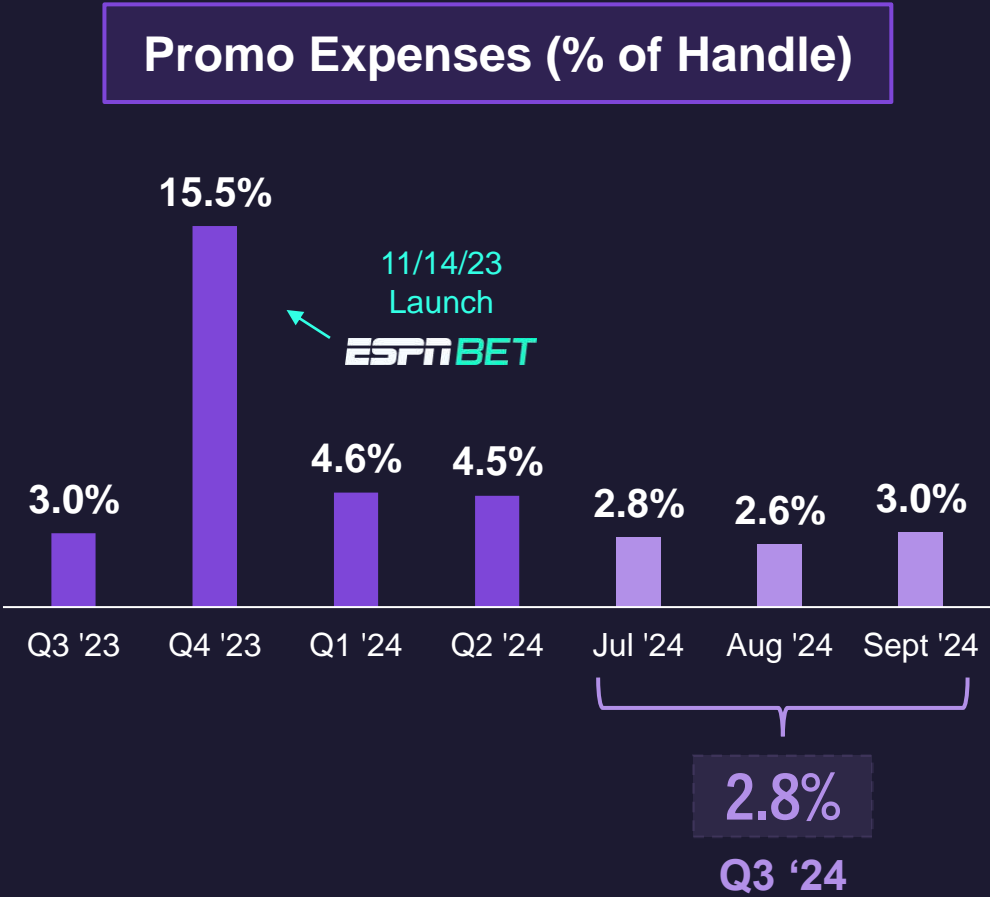
*User Share*

**ESPN BET**



# OSB: Q3 RESULTS

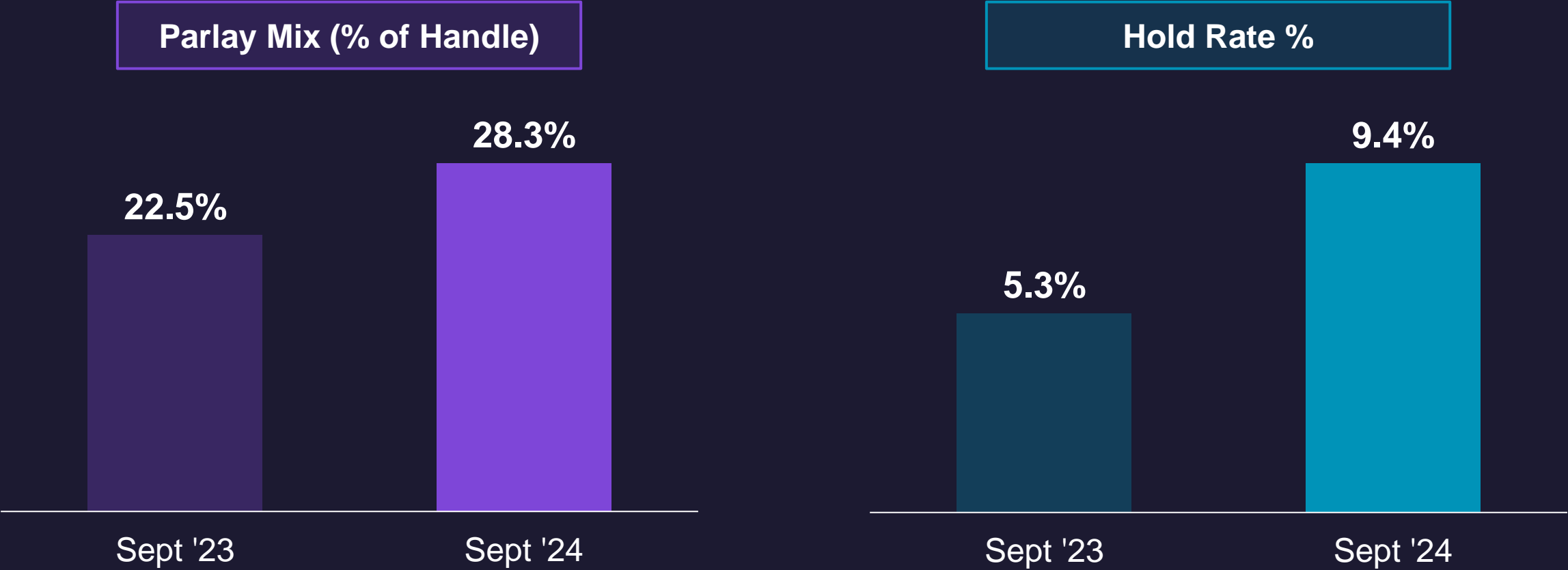
Our OSB NGR more than tripled Y/Y in Q3, with strong GGR growth and lower promotional expense levels vs. prior quarters



Note: Includes all of North America online sports betting operations.

# OSB: SEPTEMBER PARLAY MIX & HOLD

Product improvements helped drive a material increase in our parlay mix to kick off football season, which in turn has resulted in higher structural hold

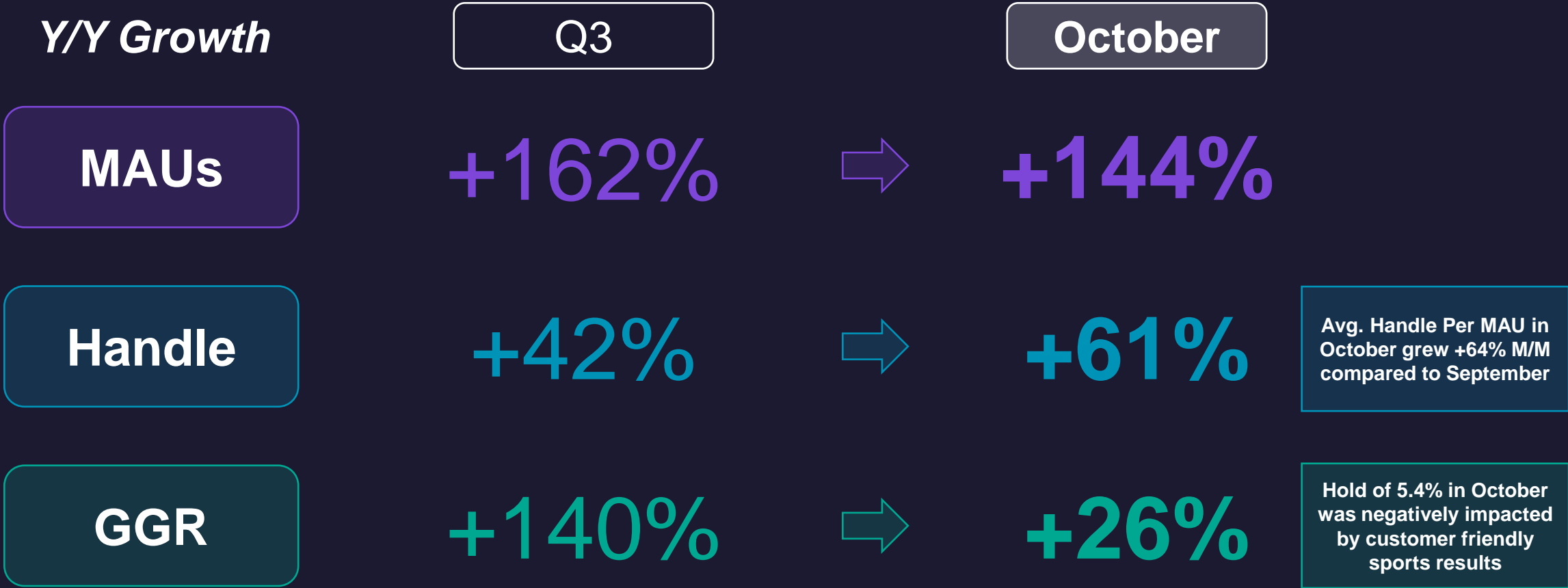


Note: Includes all of North America online sports betting operations.

# ESPN BET: Q3 & OCTOBER RESULTS



ESPN BET experienced improved Y/Y growth in volumes in October, offset by customer friendly sports results that negatively impacted our Hold Rate % in the period

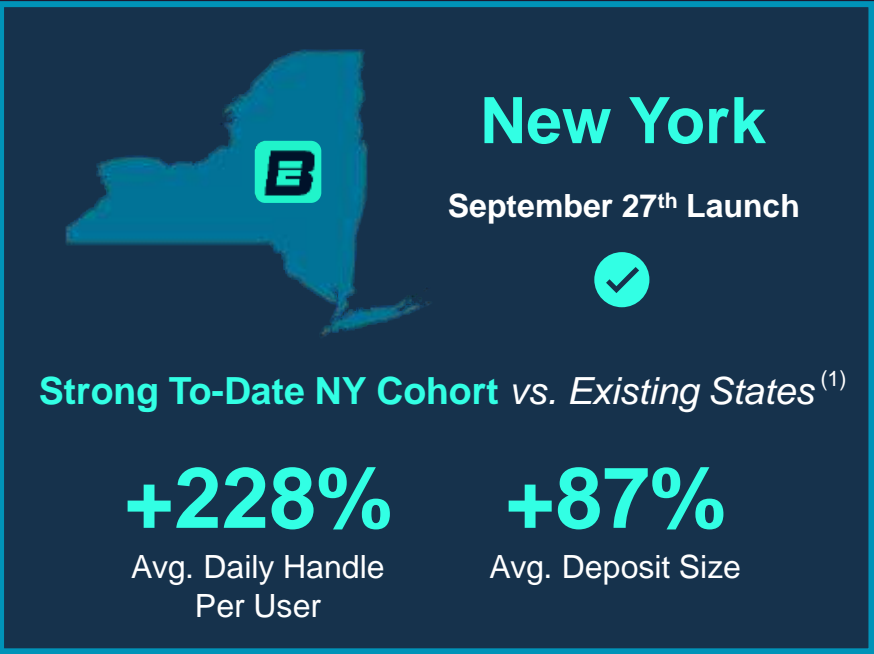


Note: Figures represent our U.S. online sports betting operations.

# ESPN BET: EFFICIENT LAUNCH IN NEW YORK



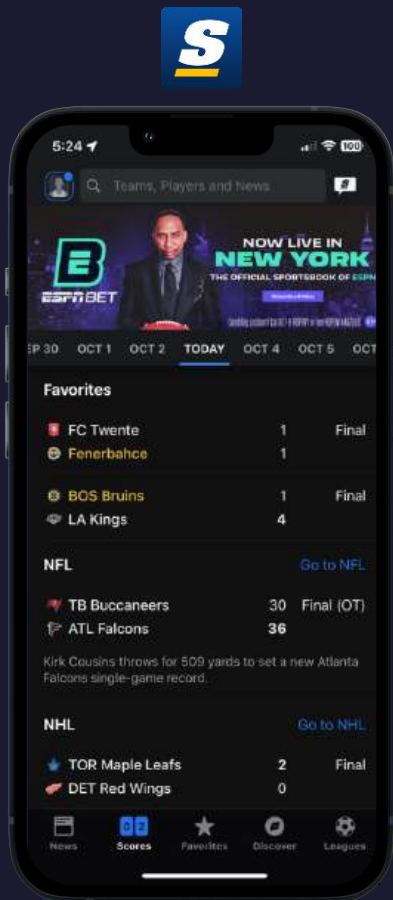
We executed a disciplined approach to ESPN BET's entry into the New York market with our first full month of operations in October



**ESPN BET** is now  
live in **19 U.S. States**



**46%**  
of U.S.  
Population

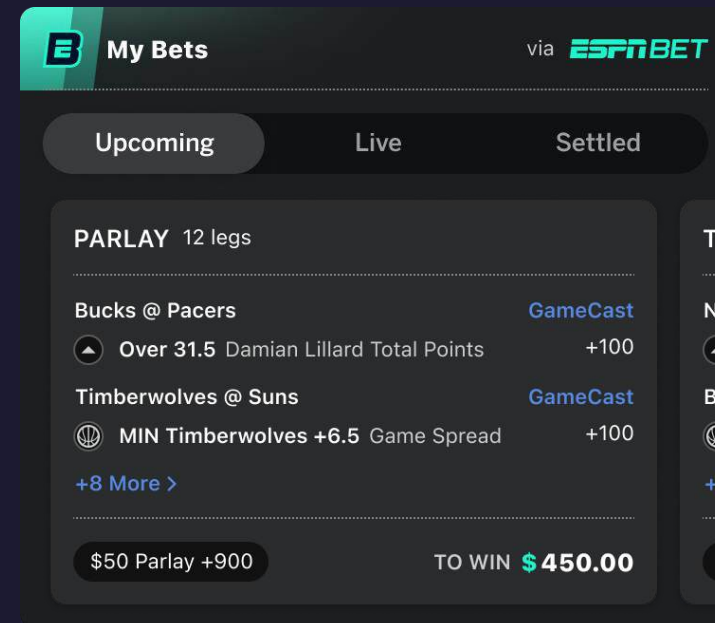
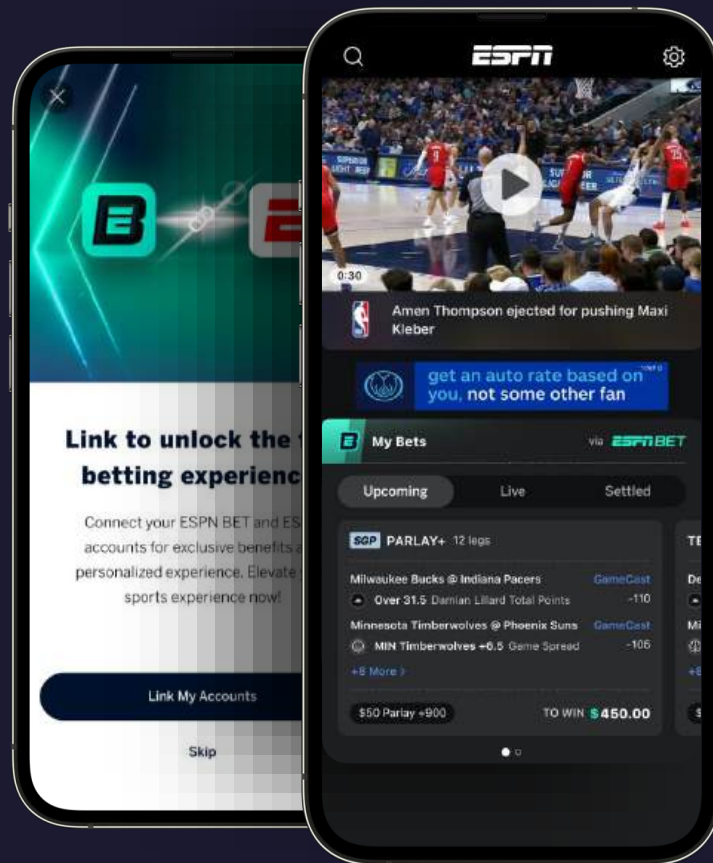


**ESPN**  
**10m+**  
New York  
(Avg. Monthly Visitors)<sup>(2)</sup>

(1) The growth figures refer to our New York online sports betting operations in the period 9/27/24 – 10/31/24. (2) Sept. '23 to Jan '24 average visitors per month across ESPN App, ESPN Fantasy, and ESPN.com in the state of New York.

# ESPN BET: ACCOUNT LINKING

We officially launched ESPN ↔ ESPN BET Account Linking on October 30<sup>th</sup>, which is foundational for future personalization across our partnership ecosystem

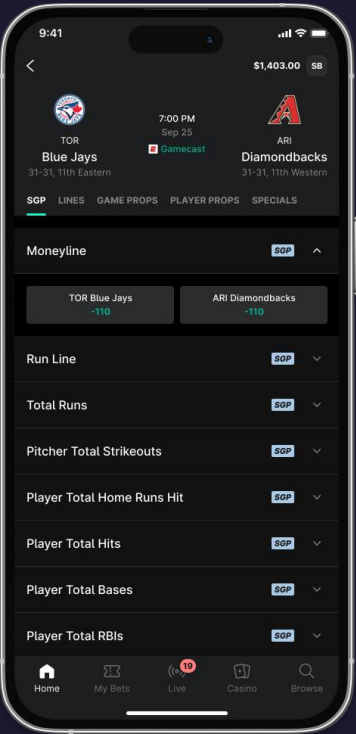


Users who link their ESPN and ESPN BET accounts can now seamlessly track their bets in the ESPN App

# OSB PRODUCT: COMING SOON (Q4/Q1)

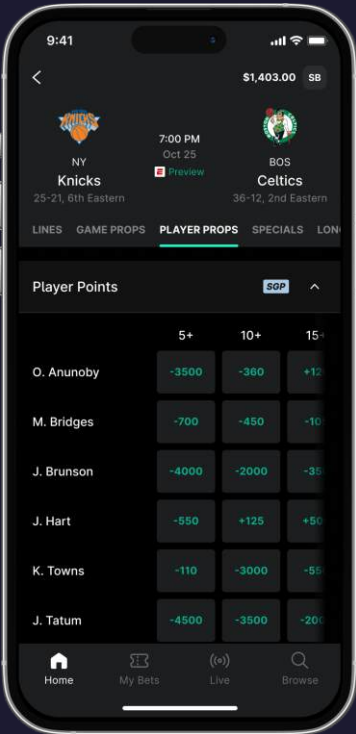
We have exciting product enhancements coming soon as we execute on our product roadmap

## Improved SGP Experience



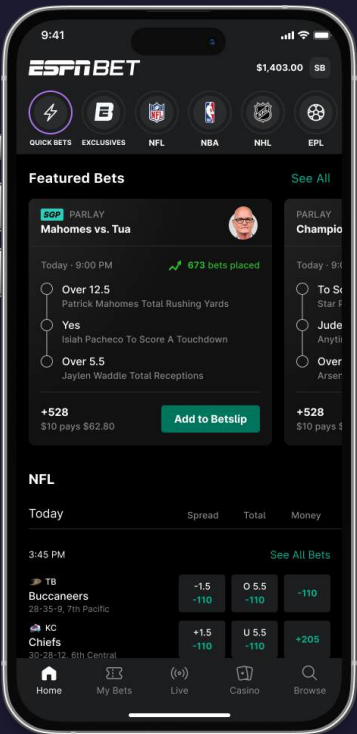
Improved Navigation & Discoverability

## Enhanced Branding & IP

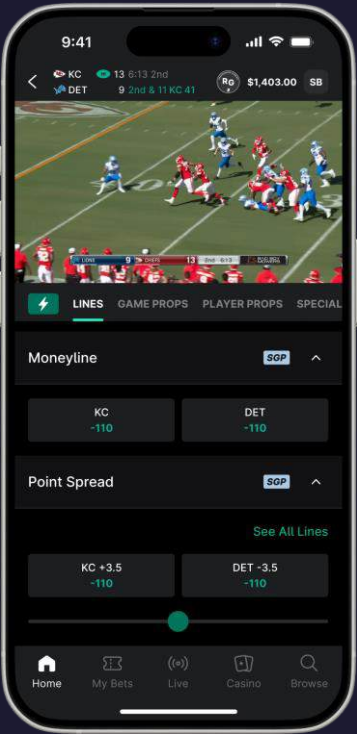


SGP Alternate Market Cards

## Upgraded In-Play Betting



Branded Featured Bets



Streaming + Upgraded In-Play UI/UX

# HOLLYWOOD iCASINO: Q3 & OCT. RESULTS



Hollywood iCasino experienced solid growth in the quarter, which has continued into October as we prepare for the initial launch of our standalone iCasino product in early Q1 2025 <sup>(1)</sup>

<i>Y/Y Growth</i> <sup>(2)</sup>	Q3		October
MAUs	+233%	➡	+168%
GGR	+53%	➡	+61%
NGR	+63%	➡	+83%

(1) Initial Standalone iCasino App launch is subject to receipt of regulatory approvals. (2) Figures represent our U.S. online casino operations.

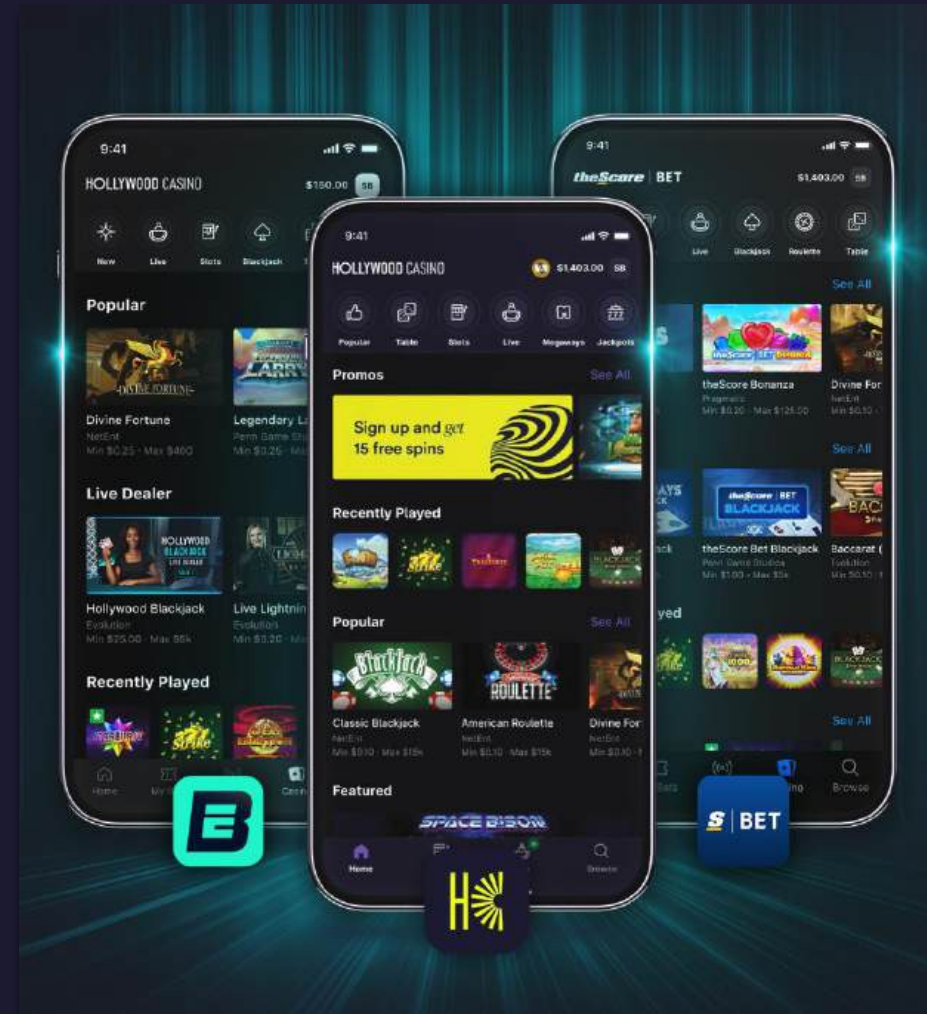
# STANDALONE HOLLYWOOD iCASINO APP



COMING SOON  
Q1 2025

HOLLYWOOD  
*Casino*

Initial **Standalone iCasino**  
App Launch planned for  
Pennsylvania, with additional  
jurisdictions to follow <sup>(1)</sup>





# APPENDICES



# OMNI-CHANNEL STRATEGY



## Retail Gaming

43 Properties in 20 U.S. States

32 Retail Sportsbooks in 15 U.S. States



## Media & Content

Strategic Sports Betting Alliance with ESPN

theScore Media App (*Wholly-Owned*)



## Online Gaming

Online Sportsbook Live in 19 U.S. States + Ontario

Online Casino Live in 4 U.S. States + Ontario



31M

LOYALTY PROGRAM  
MEMBERS



**PENN**  
ENTERTAINMENT