

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): **October 7, 2024**

**PENN Entertainment, Inc.**

(Exact Name of Registrant as Specified in Charter)

**Pennsylvania**  
(State or Other Jurisdiction of Incorporation)

**0-24206**  
(Commission File Number)

**23-2234473**  
(I.R.S. Employer Identification No.)

**825 Berkshire Blvd., Suite 200**  
**Wyomissing, PA 19610**  
(Address of Principal Executive Offices, and Zip Code)

**610-373-2400**  
Registrant's Telephone Number, Including Area Code

(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	PENN	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, 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.

**Item 2.02. Results of Operations and Financial Condition.**

On October 7, 2024, PENN Entertainment, Inc. (the “Company”) provided an update to investors announcing certain select preliminary financial results for the third quarter ended September 30, 2024. A copy of the investor update is attached hereto as Exhibit 99.1 and is incorporated by reference into this Item 2.02.

The information required by this Item 2.02 set forth in Item 7.01, including in Exhibit 99.2, is incorporated by reference into this Item 2.02.

The Company’s financial closing procedures for the third quarter ended September 30, 2024 are not yet complete. The select preliminary financial information presented in Exhibits 99.1 and 99.2 furnished hereto are estimates based on information available to management as of the date of this filing, have not been reviewed by the Company’s independent registered accounting firm, and are subject to change. It is possible that the final results may vary from these preliminary estimates upon completion of closing procedures and finalization of the unaudited interim consolidated financial statements. The select preliminary financial information presented does not present all information necessary for a complete understanding of the Company’s results for the quarter ended September 30, 2024, and should not be viewed as a substitute for full financial statements prepared in accordance with GAAP.

**Item 7.01. Regulation FD Disclosure.**

At 5:00 p.m. ET on October 7, 2024, the Company will host an investor event at the M Resort in Las Vegas, Nevada to update investors on the Company’s business strategy, operations and other key developments (the “Investor Presentation”). A copy of the slide deck to be used in conjunction with the Investor Presentation is attached hereto as Exhibit 99.2 and is incorporated by reference into this Item 7.01. The Investor Presentation slide deck is also available on our website at pennentertainment.com/corp/investors.

The Investor Presentation slide deck contains forward-looking statements about the Company’s strategic plans, goals, growth initiatives and outlook, certain preliminary estimates, and key performance indicators.

Pursuant to General Instruction B.2. to Form 8-K, the information set forth in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities thereof, nor shall it be incorporated by reference into future filings by the Company under the Exchange Act or under the Securities Act of 1933, as amended, except to the extent specifically provided in any such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

<a href="#">99.1</a>	Investor Update, dated October 7, 2024, of PENN Entertainment, Inc.
<a href="#">99.2</a>	Investor Presentation slide deck, dated October 7, 2024.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 7, 2024

PENN ENTERTAINMENT, INC.

By: /s/ Christopher Rogers  
Christopher Rogers  
Executive Vice President, Chief Strategy and Legal Officer and Secretary

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**PENN Entertainment, Inc. Investor Update as of October 7, 2024**

PENN Entertainment, Inc. (Nasdaq: PENN) (the “Company”) today announced select preliminary financial results for the third quarter ended September 30, 2024. The Company is providing an estimated range for Retail Operations Adjusted EBITDAR\* and is updating its Interactive Adjusted EBITDA\* estimated range, each for the third quarter 2024, as set out below.

The Company expects third quarter 2024 Retail Operations Adjusted EBITDAR to be in the range of \$465 million to \$475 million. Estimated third quarter 2024 Retail Operations Adjusted EBITDAR was negatively impacted by approximately \$10 million due to unfavorable hold rates within our Northeast segment and volume declines in our South segment associated with severe weather disruptions and hotel remodeling. As disclosed in our Form 10-Q for the quarter ended September 30, 2023, third quarter 2023 Retail Operations Adjusted EBITDAR was positively impacted by \$14 million in business interruption proceeds related to Hurricane Laura, which was recorded in the South segment.

The Company is raising its previously estimated Interactive Adjusted EBITDA range for the third quarter 2024 to \$(100) million to \$(90) million, up from our previous guidance of \$(135) million to \$(115) million. Better than expected hold driven by a higher parlay mix from our improving product and lower promotional expenses accounted for the upside.

The third quarter 2024 estimates and guidance provided above are estimates based on information available to management as of the date of this investor update, are subject to change and are not a guarantee of future performance. The Company’s financial closing procedures for the third quarter 2024 are not yet complete. It is possible that the final results for the third quarter 2024 may vary from these preliminary estimates upon completion of closing procedures and finalization of the unaudited interim consolidated financial statements. As the Company completes its quarter-end financial close process and finalizes its unaudited interim consolidated financial statements for the third quarter 2024, it is possible that the Company may identify items that require it to adjust the preliminary financial information set forth above, and that such changes could be material. The Company does not intend to update such financial information prior to the release of its full third quarter 2024 financial results, which, as described below, is currently scheduled for November 7, 2024.

**Third Quarter 2024 Earnings Conference Call**

The Company will release full financial results for its third quarter ended September 30, 2024, on Thursday November 7, 2024, and will host a conference call that morning at 9:00 a.m. ET.

\* Retail Operations Adjusted EBITDAR and Interactive Adjusted EBITDA are the Company’s reportable segment GAAP measures. Management utilizes Retail Operations Adjusted EBITDAR as the primary profit measure for its Northeast, South, West, and Midwest segments. Management utilizes Interactive Adjusted EBITDA as the primary profit measure for its Interactive segment. We define Adjusted EBITDA as earnings before interest expense, net; interest income; income taxes; depreciation and amortization; stock-based compensation; debt extinguishment charges; impairment losses; insurance recoveries, net of deductible charges; changes in the estimated fair value of our contingent purchase price obligations; gain or loss on disposal of assets; the difference between budget and actual expense for cash-settled stock-based awards; pre-opening expenses; loss on disposal of a business; non-cash gains/losses associated with REIT transactions; non-cash gains/losses associated with partial and step acquisitions as measured in accordance with ASC 805 “Business Combinations;” and other. We define Adjusted EBITDAR as Adjusted EBITDA (as defined above) plus rent expense associated with triple net operating leases (which is a normal, recurring cash operating expense necessary to operate our business).

## About PENN Entertainment

PENN Entertainment, Inc. is North America's leading provider of integrated entertainment, sports content, and casino gaming experiences. The Company operates 43 properties in 20 states, online sports betting in 20 jurisdictions and iCasino in five jurisdictions, under a portfolio of well-recognized brands including Hollywood Casino®, L'Auberge®, ESPN BET™ and theScore BET Sportsbook and Casino®. In August 2023, the Company entered into a transformative, exclusive long-term strategic alliance with ESPN, Inc. and ESPN Enterprises, Inc. (together, "ESPN") relating to online sports betting within the United States. The Company's ability to leverage the leading sports media brands in the United States (ESPN) and Canada (theScore) is central to our highly differentiated strategy to expand our footprint and efficiently grow our customer ecosystem. The Company's focus on organic cross-sell opportunities is reinforced by our market-leading retail casinos, sports media assets, and technology, including a proprietary state-of-the-art, fully integrated digital sports and iCasino betting platform and an in-house iCasino content studio. The Company's portfolio is further bolstered by our industry-leading PENN Play™ customer loyalty program, which offers our 31 million members a unique set of rewards and experiences across business channels.

## Forward Looking Statements

This Investor Update 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, Interactive Adjusted EBITDA and Retail Operations Adjusted EBITDAR; the Company's expectations of future results of operations and financial condition; and the assumptions provided regarding the guidance, including the scale and timing of the Company's product and technology investments.

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 casino gaming experience; 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; our ability to successfully acquire and integrate new properties and operations and achieve expected synergies from acquisitions; our ability to maintain our gaming licenses and concessions and comply with applicable gaming law; changes in current laws, regulations, 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 Investor Update may not occur.



# INVESTOR EVENT

**G2E Conference**  
October 7, 2024

# FORWARD-LOOKING STATEMENTS



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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 law, 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.

This presentation may contain trademarks, service marks, trade names and copyrights of other companies or entities, which are the property of their respective owners. Solely for convenience, some of the trademarks, service marks, trade names and copyrights referred to in this presentation may be listed without the TM, SM © or ® symbols, but we will assert, to the fullest extent under applicable law, the rights of the applicable owners, if any, to these trademarks, service marks, trade names and copyrights.

The third quarter 2024 estimates and guidance provided in this presentation are estimates based on information available to management as of the date of this presentation, are subject to change and are not a guarantee of future performance. The Company's financial closing procedures for the third quarter 2024 are not yet complete. It is possible that the final results for the third quarter may vary from these preliminary estimates upon completion of closing procedures and finalization of the unaudited interim consolidated financial statements. As the Company completes its quarter-end financial close process and finalizes its financial statements for the quarter, it is possible that the Company may identify items that require it to make adjustments to the preliminary financial information set forth in this presentation, and that such changes could be material. The Company does not intend to update such financial information prior to the release of its full third quarter 2024 financial results, which is currently scheduled for November 7, 2024.

# AGENDA

## 1. Company Strategy

- Jay Snowden, CEO

## 2. Retail & Omni-Channel

- Todd George, EVP of Operations

## 3. Interactive

- Aaron LaBerge, CTO
- Jason Birney, Head of Interactive Operations

## 4. Financials

- Felicia Hendrix, CFO

## 5. Closing Remarks

- Jay Snowden, CEO





# SENIOR LEADERSHIP TEAM



**Jay Snowden**  
Chief Executive Officer



**Todd George**  
EVP, Operations



**Felicia Hendrix**  
EVP, Chief Financial Officer



**Aaron LaBerge**  
EVP, Chief Technology Officer



**Chris Rogers**  
EVP, Chief Strategy & Legal Officer



**Eric Schippers**  
SVP, Public Affairs



**Wendy Hamilton**  
SVP, Chief Human Resources Officer

# STRONG, DIVERSIFIED GAMING BUSINESS

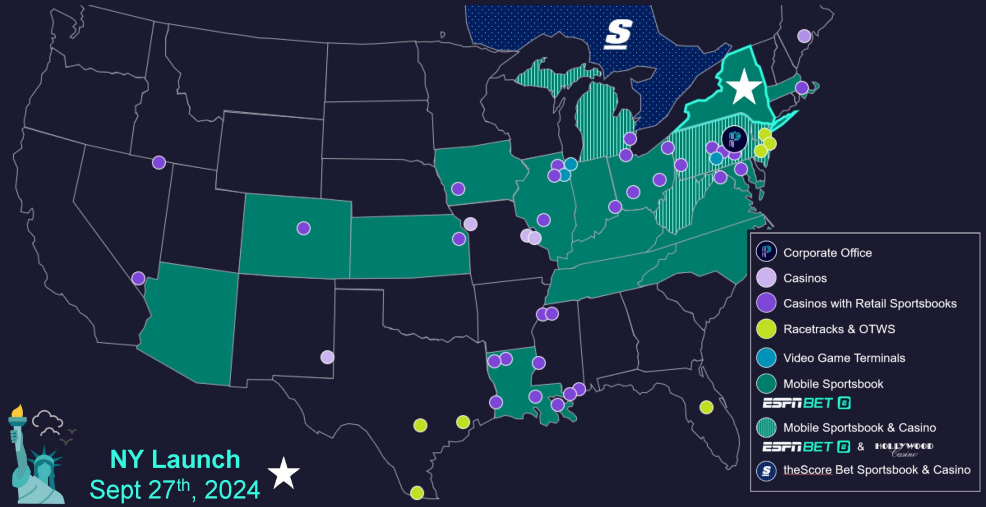
**\$6.4b** FY23 Revenue      **\$5.7b** Retail      **\$0.7b** Interactive<sup>(1)</sup>

## Retail

43 Properties (20 States)  
4 New Growth Projects

## Interactive

OSB (20 Jurisdictions)  
iCasino (5 Jurisdictions)



(1) Interactive revenue includes a tax gross-up of \$390.4 million.

# LEADING BRANDS, ASSETS AND REACH

HOLLYWOOD  
*Casino*

Lauberge

M  
RESORT • SPA • CASINO

AMERISTAR

MARGARITAVILLE  
RESORT • CASINO

ESPN BET

theScore | BET



PENN Play Loyalty Members



31M

TOTAL

3.9M

DIGITAL

# OUR VISION FOR ESPN BET

- Provide a home for the **everyday sports fan** and mass-market bettor
- Create the leading **media & betting ecosystem** experience with ESPN
- Develop a **best-in-class product** to improve monetization
- **Cross-sell our growing database** to iCasino and our retail properties



## Improved **ESPN BET** Product Offering



Over-Indexing with Mass-Market

**Higher Parlay Mix & Hold**

More Predictable Revenue

**Higher Conversion of Handle to NGR**

Better Unit Economics

### Benefits of Improved Product

*Higher Parlay Mix*



*Higher Hold*

*Lower Promo  
Expense*



*Higher Net Revenue*



*Higher Gross Margin*

# PERFORMANCE HIGHLIGHTS

**ESPN BET**

September 2024  
Year-Over-Year Growth



**+161%**

**Users**  
*Monthly Unique*

**+211%**

**Parlay Users**  
*Monthly Unique*

**+608** bps

**Parlay Mix**  
*of Handle*

27.5%



21.4%

9.1%



4.8%

**+430** bps

**% Hold Rate**

**+151%**

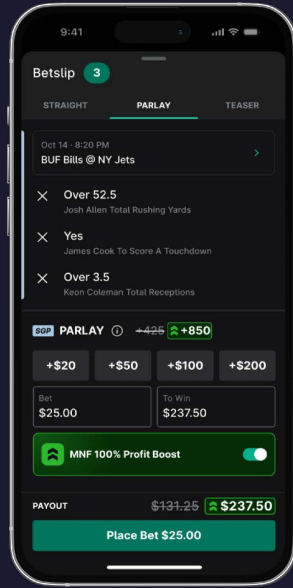
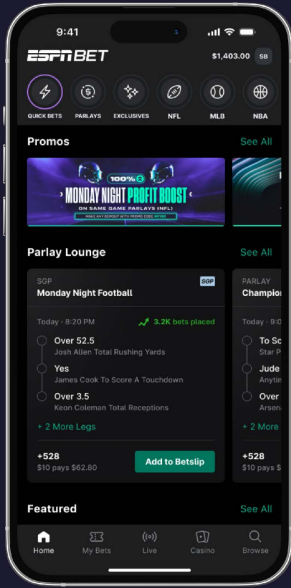
**GGR**

**+403%**

**NGR**

Note: All results are preliminary September 2024 vs. September 2023 for our U.S. online sports betting operations.

# OUR PRODUCT HAS IMPROVED DRAMATICALLY...

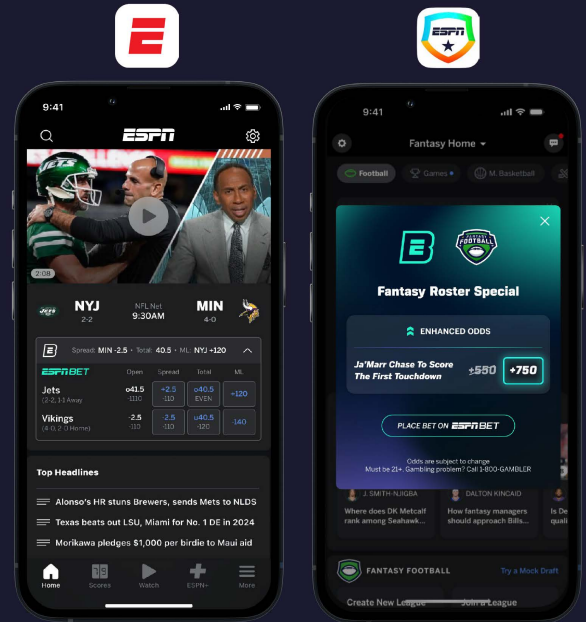


Refreshed Home Page  
Parlay Lounge  
Profit Boosts  
Enhanced SGP Offering  
*and more...*

# ...AND OUR ESPN INTEGRATIONS ARE DEEPENING

## ESPN ↔ ESPN BET

- ESPN BET is becoming omnipresent within the ESPN ecosystem, including Fantasy
- Deeper integrations are on the way with **Account Linking in Q4**





# STRATEGY HAS BEEN SUCCESSFUL IN ONTARIO...

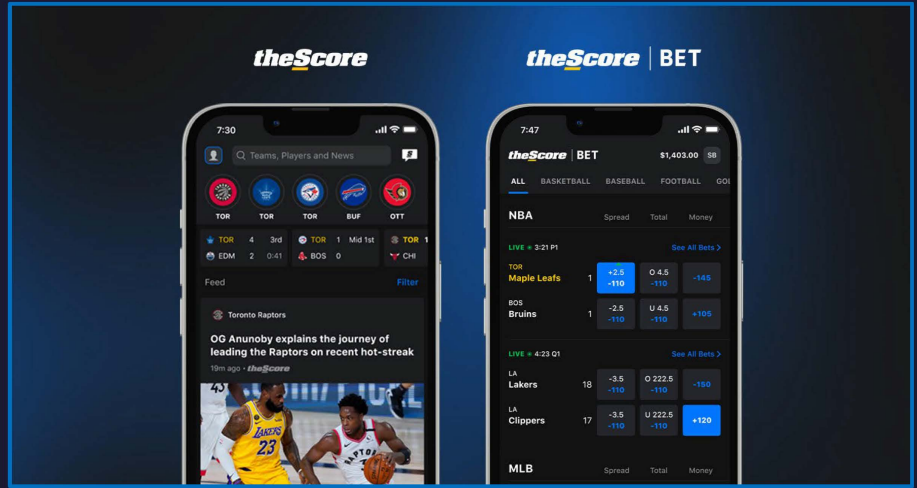


**theScore | BET**  
SPORTSBOOK & CASINO



## Double-Digit

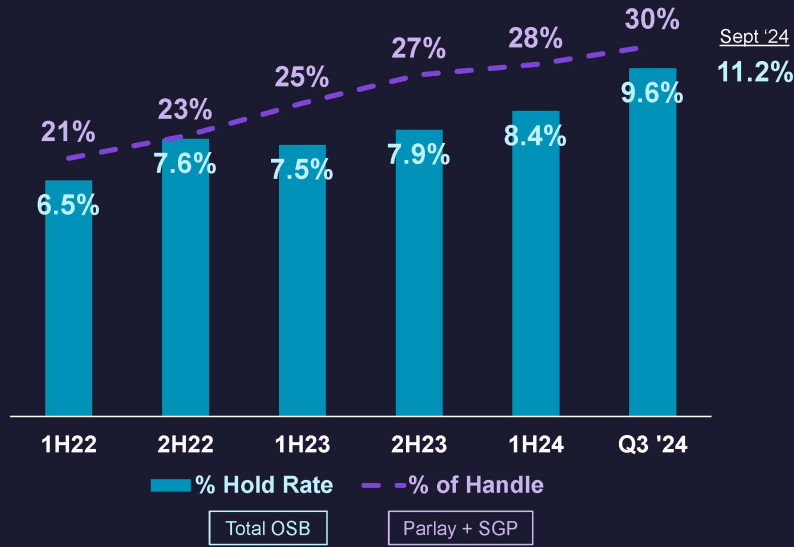
1H24 OSB Market Share in Ontario



Note: Reflects GGR market share of online sports betting in Ontario through June 2024.

# ...WITH STRONG RESULTS IN YEAR 3

**theScore | BET**<sup>(1)</sup>  
SPORTSBOOK & CASINO



**theScore | BET**  
SPORTSBOOK & CASINO

**Y/Y Growth**  
(Sep '24 LTM)<sup>(2)</sup>

**+30%** Revenue  
**+54%** Gross Profit

**+227%** Contribution Profit

(1) All results are preliminary for Q3 and September 2024.  
(2) Y/Y growth metrics are for theScore BET total online gaming, inclusive of online sports betting and iCasino. All results are preliminary for September 2024.

# A PROVEN STRATEGY IN THE UK



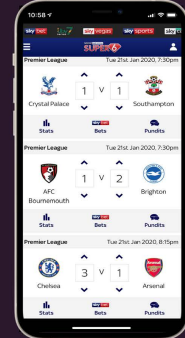
## Sky Bet Market Share of Total UK Online Gaming Market

2014 6%

2017 12%

Today >20%

Powerful brand and media integrations with Sky Sports helped Sky Bet grow over time into one of the largest operators in the UK



Note: Market share estimates based on publicly available information and internal company estimates.

# BRAND STRENGTH IS ALREADY EVIDENT IN YEAR 1

The **ESPN BET** brand is resonating with bettors, with significant upside as monetization continues to improve



Weekly Average Users

**#3**

*Sportsbook*

**16%**

*User Share*


**ESPN BET**



Note: The Sensor Tower data shown represents the week beginning September 23, 2024 through September 29, 2024, and is across the top available unified sportsbook & daily fantasy competitor apps including our top six market share competitors in OSB and two of the largest Daily Fantasy Sports apps. Sensor Tower defines Weekly Active User as a user that has one or more sessions within a week. Data is subject to change per Sensor Tower policies.

# RECENT NY LAUNCH FURTHER EXPANDS OUR REACH





**New York**  
September 27<sup>th</sup> Launch

✔

**Strong To-Date NY Cohort vs. Existing States**

**+296%**  
Avg. Daily Handle  
Per User

**+100%**  
Avg. Deposit Size

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

+

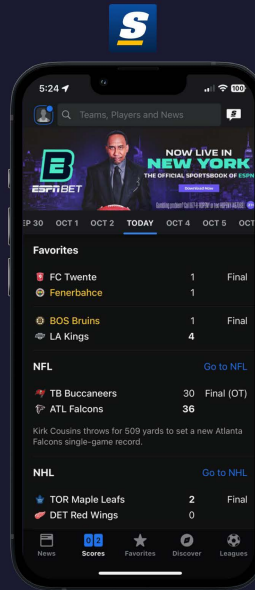
**theScore | BET**  
in Ontario



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



**39%**  
of Canadian  
Population



**ESPN**  
**10m+**  
New York  
(Avg. Monthly Visitors)<sup>(1)</sup>

(1) Sept. '23 to Jan '24 average visitors per month across ESPN App, ESPN Fantasy, and ESPN.com in the state of New York.

## Sports Betting

**ESPN BET** | **theScore | BET**


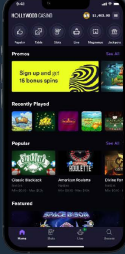
### Retail Gaming



**HOLLYWOOD Casino** | **Lauberge** | **M**  
**AMERISTAR** | **MARCAITAVILLE RESORT - CASINO** | **RESORT - SPA - CASINO**



### iCasino



**HOLLYWOOD Casino** | **theScore | BET**  
**SPORTSBOOK & CASINO**

# RETAIL GROWTH PROJECTS ON THE HORIZON

## Hollywood Joliet (IL) Relocation



## Hollywood Aurora (IL) Relocation



## Hollywood Columbus (OH) Hotel Tower



## M Resort (NV) Hotel Tower



# LOOKING AHEAD

2024

INVEST

- Peak Interactive Losses
- Key Upgrades to Digital Products



2025

EXECUTE

- Interactive Losses Narrow Toward Breakeven and Balance Sheet De-Levers
- Transformational Digital Product / ESPN Integrations + Standalone iCasino Product
- Opening of Hollywood Joliet 2H25



2026

ACCELERATE

- Interactive Inflect to Profitability
- Remaining Growth Projects Open 1H26



# RETAIL & OMNI-CHANNEL

Todd George, EVP of Operations



# Retail

# RETAIL GROWTH STRATEGY

- Focus on a **growth mindset** through strategic partnerships and differentiated offerings
- Drive **greater loyalty** through our PENN Play program and omni-channel offerings
- Reinvest in our properties to **enhance the guest experience** and evolve entertainment offerings
- Maintain **leading margin profile** through new technology and advanced marketing strategies
- Create and grow our **destination offerings** to enhance our omni-channel impact



# WE ARE TAKING MARKET SHARE



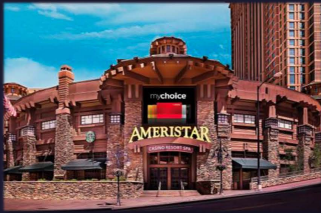
**Hollywood Casino**  
*Columbus, OH*



**M Resort**  
*Las Vegas, NV*



**Hollywood Casino**  
*Kansas Speedway, KS*



**Ameristar Casino**  
*Black Hawk, CO*



**Hollywood Greektown**  
*Detroit, MI*



**Plainridge Park**  
*Plainville, MA*

YTD Market  
Share Growth in  
**16 of 24**  
Regional  
Markets

Note: Year-to-date market share through August 2024.

# BROADENING OUR REACH VIA PARTNERSHIPS



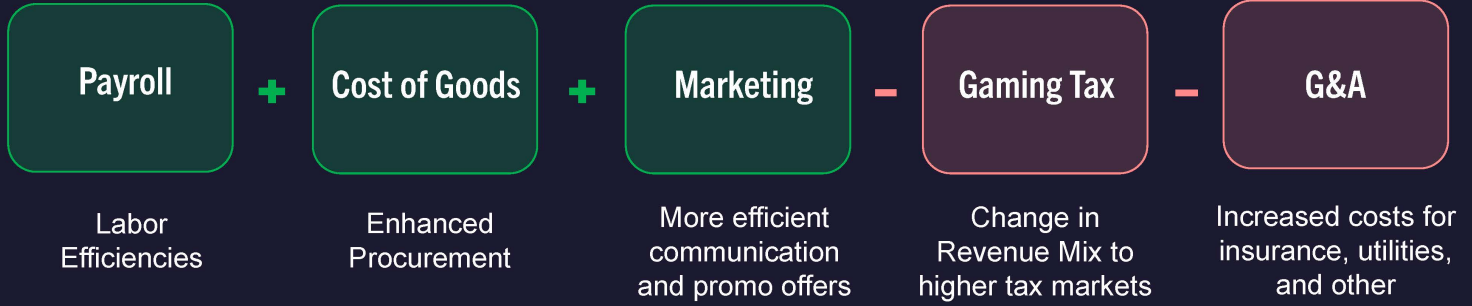
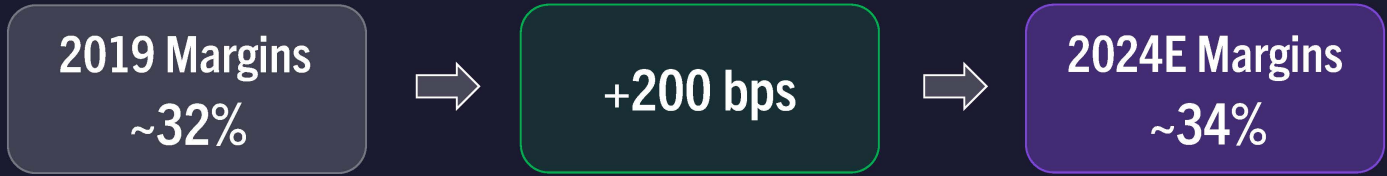
TRAVEL  
Norwegian Cruise Line®



F&B CONCEPTS



# INDUSTRY-LEADING RETAIL MARGINS



# A LEADER IN RETAIL SPORTS BETTING

## Retail Sports Betting GGR Market Share

26%

Active States

17%

Total U.S. ex-NV



● 30 Retail Sportsbooks in 13 States

## Recent Retail Sportsbook Rebrandings **ESPN BET**



- Hollywood Greektown (MI)
- 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)

Note: Retail Sports Betting GGR Market Share shown above is for the period 1H24 using publicly reported state and internal company data.

# CASE STUDY: RETAIL SPORTSBOOKS

## Ohio (4 Properties)



GGR Growth  
**+2.4%**

GGR Share Growth  
**+70 bps**

## Kansas (Kansas Speedway)



GGR Growth  
**+4.8%**

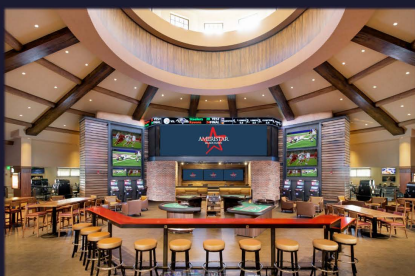
GGR Share Growth  
**+106 bps**

Note: All GGR dollars growth and GGR share growth are Y/Y changes from state reported data during January-August 2024 vs. January-August 2023.



# CASE STUDY: RETAIL SPORTSBOOKS

## Colorado (Black Hawk)



GGR Growth  
**+4.1%**

GGR Share Growth  
**+49 bps**

## Massachusetts (Plainridge Park)



GGR Growth  
**+6.7%**

GGR Share Growth  
**+69 bps**

Note: All GGR dollars growth and GGR share growth are Y/Y changes from state reported data during January-August 2024 vs. January-August 2023.

# GROWTH PROJECTS REMAIN ON-TRACK

**Hollywood  
Joliet (IL)**



**Relocation**



**2H 2025**

**Hollywood  
Aurora (IL)**



**Relocation**



**1H 2026**

**Hollywood  
Columbus (OH)**



**Hotel Tower**



**1H 2026**

**M Resort (NV)**



**Hotel Tower**



**1H 2026**

# HOLLYWOOD CASINO JOLIET



# SUPERIOR LOCATION – HOLLYWOOD JOLIET

## Hollywood Casino Joliet

- Hollywood Casino Joliet is moving to Rock Run Collection, a new mixed-use development to include hotels, retail, food & beverage, and entertainment offerings
- The new site is located at the intersection of I-80 & I-55, with 240,000 daily vehicles (vs. only 10,000 at current location)



# HOLLYWOOD CASINO AURORA



AURORA  
**HOLLYWOOD**  
Casino

# SUPERIOR LOCATION – HOLLYWOOD AURORA

## Hollywood Casino Aurora

- Hollywood Aurora is relocating to a prime location in Chicagoland, adjacent to Chicago Premium Outlets
- New location at I-88 and Farnsworth interchange: 100,000+ daily vehicles (compared to 8,000 at current location), 8 million annual shoppers



# RECENT RELOCATION COMPS ARE ENCOURAGING



July 2024  
Y/Y Revenue Growth  
**+88%**

*The Queen Casino (Baton Rouge, Louisiana) – Opened August 24, 2023*

July 2024  
Y/Y Revenue Growth  
**+76%**



*Treasure Chest (Kenner, Louisiana) – Opened June 6, 2024*

Note: Data based on publicly reported info.

# HOTEL EXPANSIONS

## Hollywood Casino Columbus (OH)

- 205 luxury hotel rooms
- Creates regional destination at one of PENN's most successful properties
- Bolsters the property's competitive positioning in the Columbus market



## M Resort (NV)

- 2<sup>nd</sup> tower with 375 luxury rooms, lifting total to 765
- Enhanced offerings to solidify the M's position as a premier resort and destination
- Provides much needed capacity to capture strong demand for group business





# TECHNOLOGY DRIVEN EFFICIENCIES



THE PAST

Friction.  
Lines. Cash.  
Plastic Cards.



PRESENT & FUTURE

Digital.  
Experiential.  
*Frictionless.*

# PENNPLAY & PENN WALLET VALUE

## PENN Play App

**1.3m**

App Registrations

**367k**

Mo. Active Customers

## PENN Wallet

**350k**

Downloads

**3X**

Customer Value Increase <sup>(1)</sup>

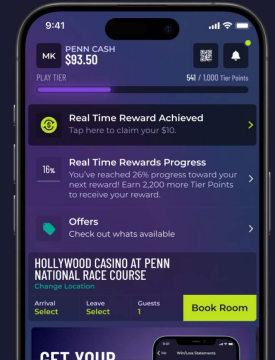
## App Store Ratings

**4.64**

Apple ★★★★★

**4.40**

Google ★★★★★



Note: The data above is as of August 2024.

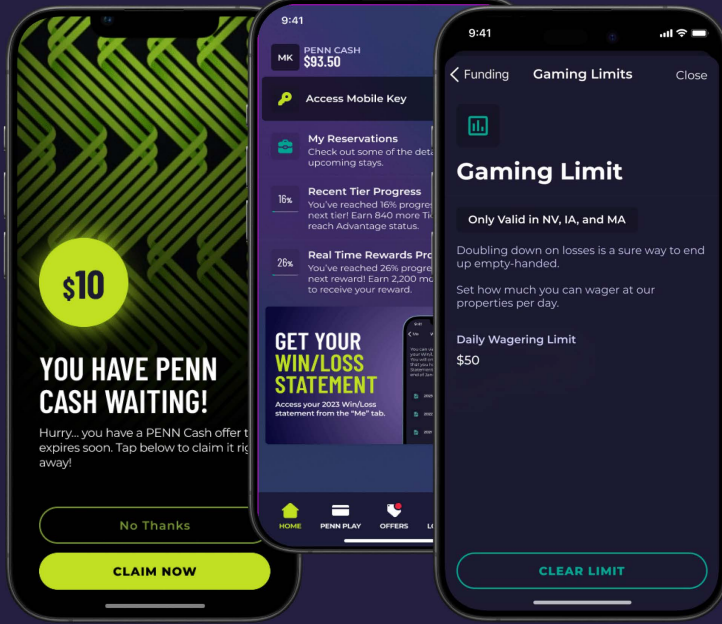
(1) Pre vs. post analysis of customers in the 90 days before and after wallet enrollment.

# BENEFITS OF DIGITAL EXPERIENCES

- **Driving customer engagement**
- **Delivering margin enhancing efficiencies**
- **Creating a frictionless digital experiences**



# KEY DIGITAL APPLICATIONS – 3C's & Beyond



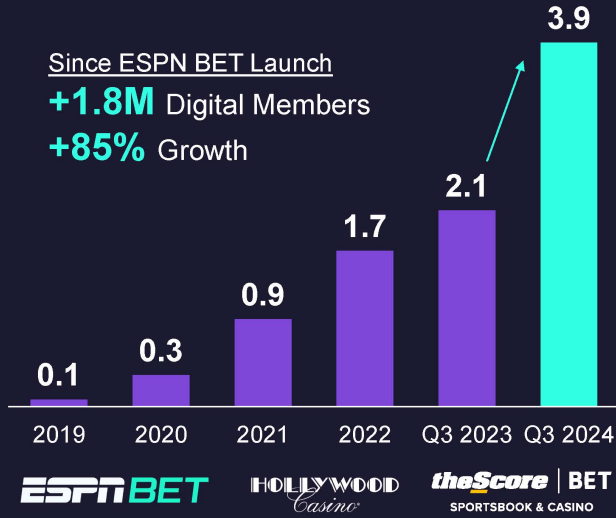
- Enhanced digital communications
- Real time promotions
- More efficient hospitality
- Cutting edge cashless capabilities



# Omni-Channel

# ONLINE HAS DRIVEN COMPANY DATABASE GROWTH

## Total Digital Database (M)



# 67%

of our total database growth since 2019 has come from digital

## 2019

Total: **25M**

Digital: **NM**



## Q3 2024

Total: **31M**

Digital: **3.9M**

Note: All Q3 2024 data is preliminary.

# ONLINE REACH EXPANDS OUR RETAIL FUNNEL

Average age of our  
12-month active  
database

**53**  
August 2019



**44**  
August 2024

## Distance from a Retail Property



# CROSS CHANNEL VALUE CREATION



Play Online

**4x**

*Increase in customer value  
when customers play across  
multiple channels*



Play at Retail





# POTENTIAL FOR OMNI-CHANNEL

## Incremental Upside from Database Conversion

Increase in Database  
% Conversion to  
Omni-Channel

+5%

+10%

+15%

Potential Annual  
GGR Lift<sup>(1)</sup>

\$50M+

\$100M+

\$150M+

(1) Estimates are based on penetration of addressable database.



# INTERACTIVE

Aaron LaBerge, CTO

Jason Birney, Head of Interactive Operations

**ESPN**

**Disney**



DIGITAL

113M

Average Monthly Unique  
Visitors



FANTASY

13M

Unique Fantasy Football  
Users

# INTERACTIVE STRATEGY



**MARKET-LEADING  
SPORTS MEDIA  
BRANDS**



**PROPRIETARY  
TECHNOLOGY  
STACK**



**OMNI-CHANNEL  
ECOSYSTEM**

## INTERACTIVE STRATEGY

# MARKET-LEADING SPORTS MEDIA BRANDS



**theScore** | **BET**  
SPORTSBOOK & CASINO



## INTERACTIVE STRATEGY

# PROPRIETARY IN-HOUSE TECHNOLOGY STACK



Player Account  
Management



Promotional Engine



Risk & Trading  
Platform



In-House Game  
Studio



Retail Sportsbook  
Technology

# INTERACTIVE STRATEGY

# OMNI-CHANNEL ECOSYSTEM





## DIGITAL SUCCESS IN ONTARIO



Online Sports Betting

**DOUBLE DIGIT**

Market Share  
of GGR in 1H24

**+29%** Y/Y Growth  
in NGR (Sept - YTD)



**60%** Cross-Play  
OSB into iCasino  
**+1,182BPS Y/Y**

**+227%** Y/Y Growth in  
Contribution  
Profit  
(Sept - YTD)

Online Casino

**HIGH-SINGLE DIGIT**

Market Share  
of GGR in 1H24

**+32%** Y/Y Growth  
in NGR (Sept - YTD)

Note: All performance metrics shown include preliminary estimates for September 2024. 1H24 Market Share estimates are based on iGo publicly available total market results and internal company data.

## ALBERTA OPPORTUNITY



**12%**

**OF THE CANADIAN  
POPULATION**

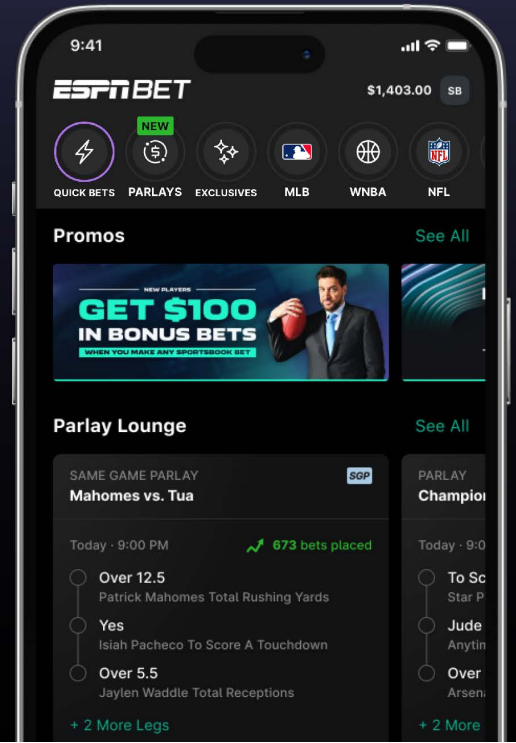
51% of Canadian Population  
(Ontario + Alberta) Post-Launch

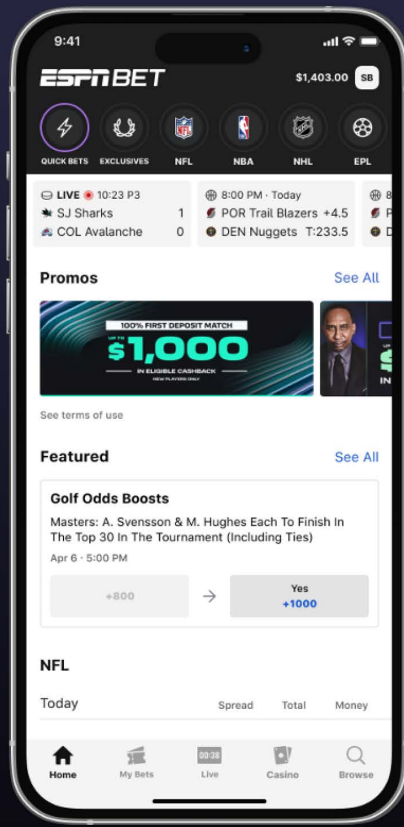
Launch Timing TBD

**ESPN BET**

**ESPN BET**

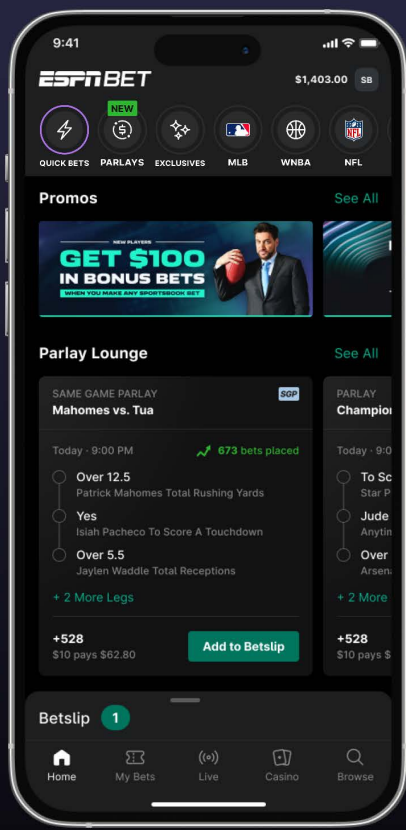
# Product Updates





OLD

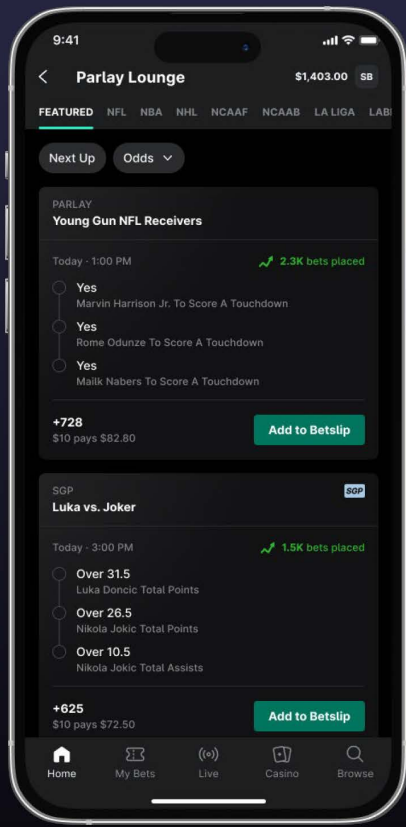
# LAUNCH VERSION



NEW

# HOME SCREEN

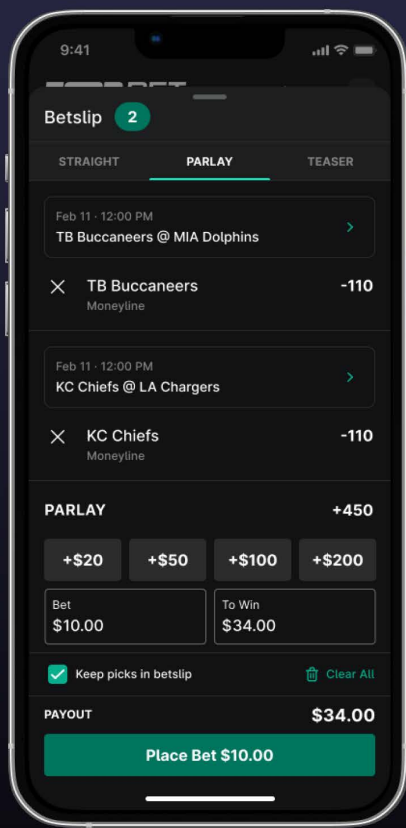
- Dark Mode
- Improved Navigation
- Expanded Promo Carousel
- Elevated Offer Discovery
- Trending Bets
- Layout Optimizations



**NEW**

# PARLAY LOUNGE

- Dedicated Experience
- Featured Market Popularity Transparency
- Shows trending bets
- 100+ more markets available for Same Game Parlay, including player milestone markets

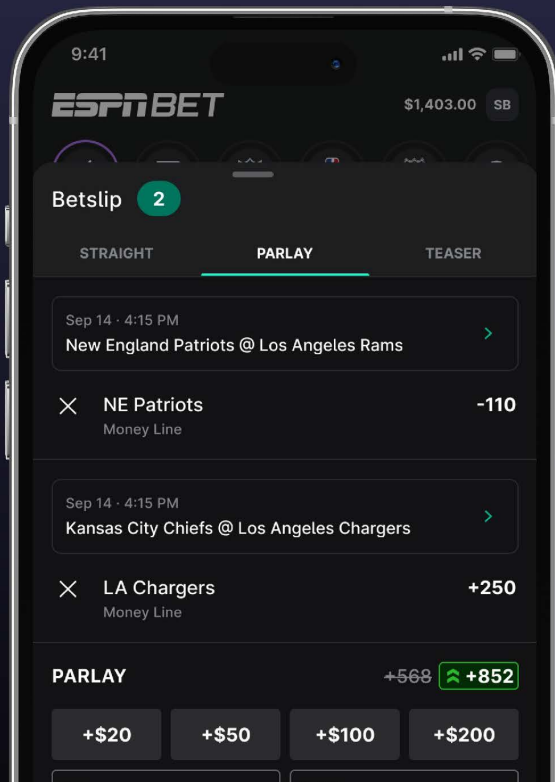


NEW

# BETSLIP

- “Keep picks in betslip” checkbox that allows users to choose to keep selections after placing a bet
- Making it easier to place bets with a large number of selections

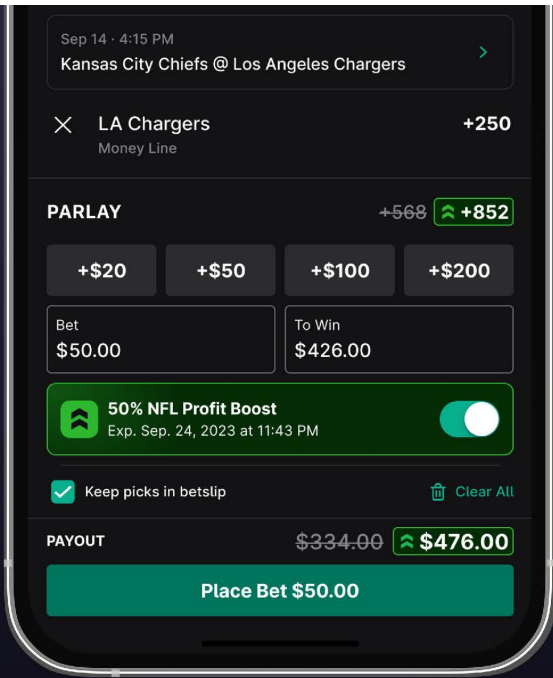




NEW

# SETTLED

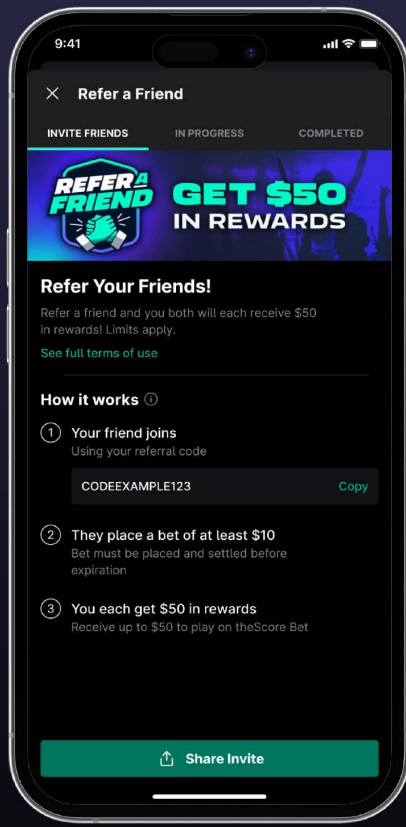
- Result selections that meet specified criteria before the natural milestone of an event or market
- Issue winnings to a patron's wallet as soon as possible
- Supported scenarios include:
  - Early payout
  - Goodwill gestures
  - Isolated voiding for past posting and venue changes



NEW

# PROFIT BOOSTS

- Top tier promotional tool that empowers customers to amplify their odds on a bet
- Unlocking potential for higher payout



**NEW**

# REFERRAL PROGRAM

- Patrons can share their unique referral codes to earn rewards on top of regular promotional offerings
- Drives acquisition and user growth natively, through lower cost channel
- Reward amounts are configurable

Home

7:00 PM  
Sep 25

TB  
Buccaneers  
13-4-0 1st, NFC South

CAR  
Panthers  
5-12-0, 4th NFC South

NEW - ECOSYSTEM INTEGRATIONS

# GAMECAST & WATCH

- ESPN Gamecast direct links on My Bets and Event Pages
- Watch Options to see what games are available on ESPN networks, with direct links to streams

My Bets

Gamecast

Straight

123  
121

TOR Raptors  
Moneyline

Final

TOR Raptors	123
BOS Celtics	121

Sep 14, 2022 at 8:15 PM

\$5.00  
BET

\$9.35  
PAYOUT

Share

Placed: Jul 30, 2023 at 11:30am  
ID: jkmpxpXKdr2+seRITZsrL9rGa8s8=

Watch

3:44 R2

V. Oezdemir

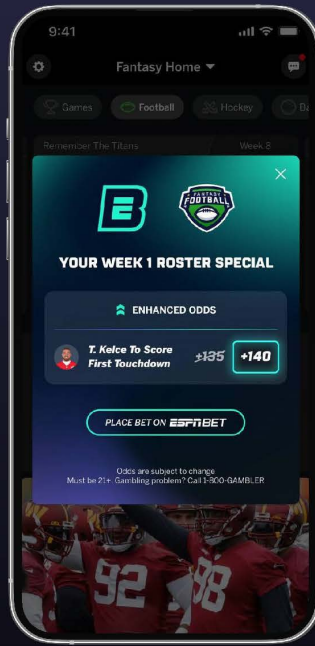
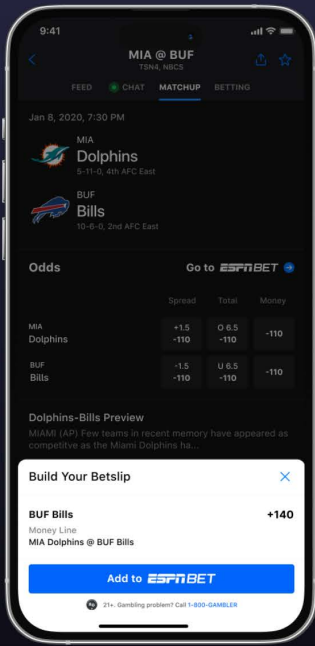
D. Reyes

Home

NEW - ECOSYSTEM INTEGRATIONS

# ESPN & FANTASY

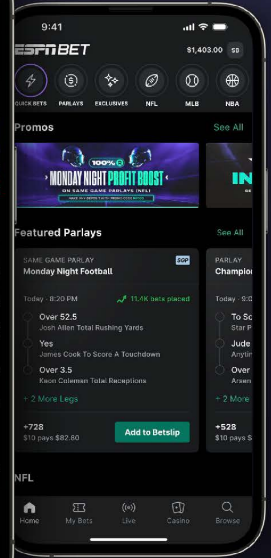
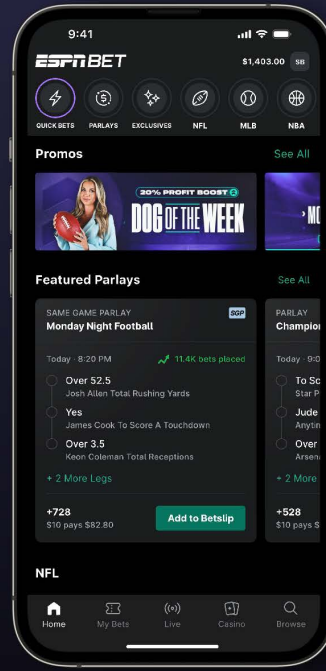
- Add to Betslip - add market directly to betslip from ESPN or theScore app driving user acquisition and placed bets through tightly integrated experience
- ESPN Fantasy Native Activations - Targeted offers based on Fantasy team members and odds link out from ESPN Fantasy apps





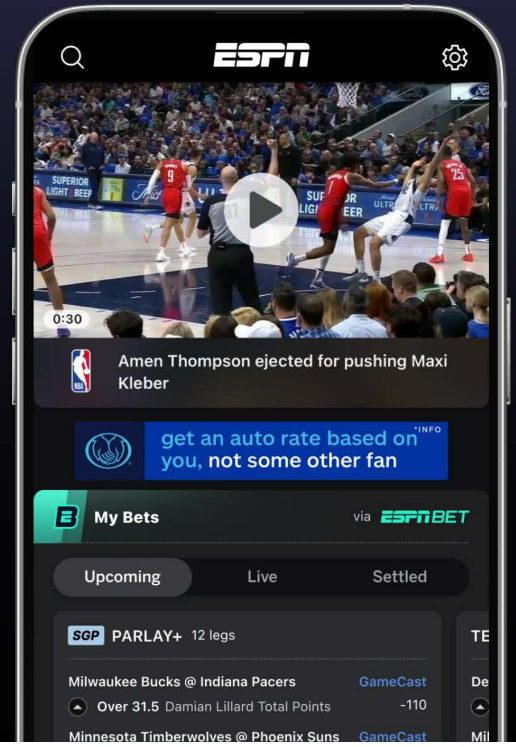
⚡ NEW - ECOSYSTEM INTEGRATIONS

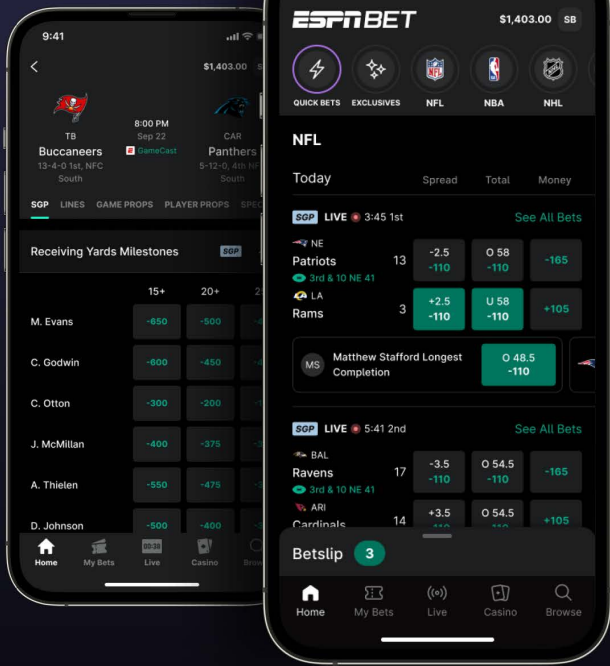
# MEDIA & PRODUCT PAIRINGS



**ESPN BET**

# Coming Up Next





COMING UP

# SGP OFFERING ENHANCEMENTS

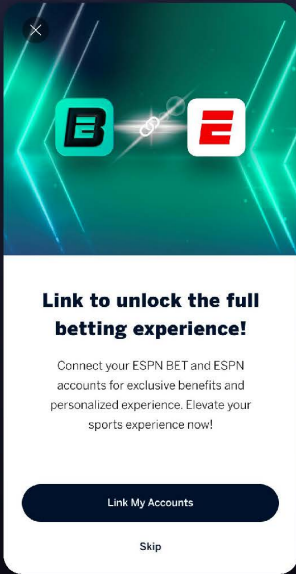
NFL Week 1 2024 - 2025

- 3x More SGP Markets

Continued improvement through NFL Season

- Smart filtering in Parlay Lounge
- Player prop discovery
- Logos and branding imagery



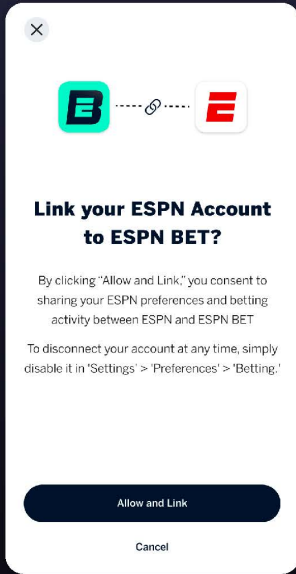


**Link to unlock the full betting experience!**

Connect your ESPN BET and ESPN accounts for exclusive benefits and personalized experience. Elevate your sports experience now!

Link My Accounts

Skip



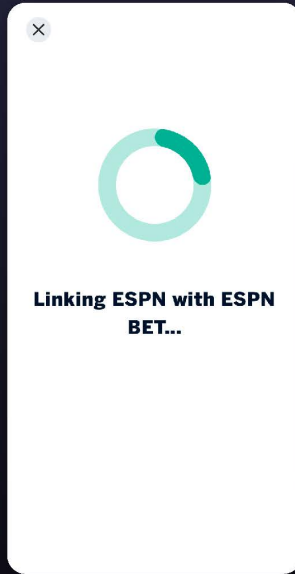
**Link your ESPN Account to ESPN BET?**

By clicking "Allow and Link," you consent to sharing your ESPN preferences and betting activity between ESPN and ESPN BET

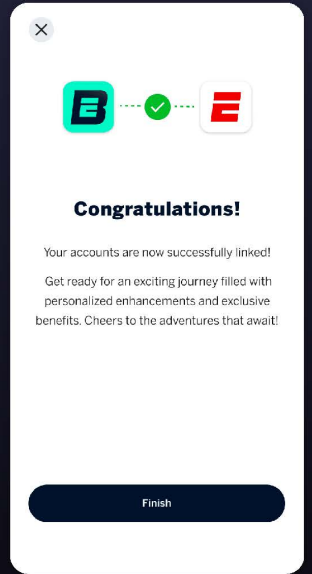
To disconnect your account at any time, simply disable it in 'Settings' > 'Preferences' > 'Betting.'

Allow and Link

Cancel



**Linking ESPN with ESPN BET...**

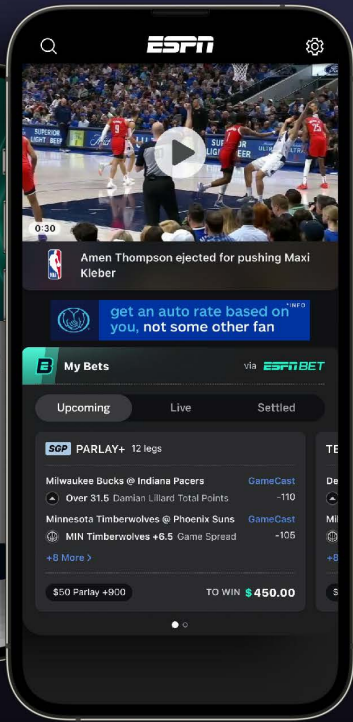
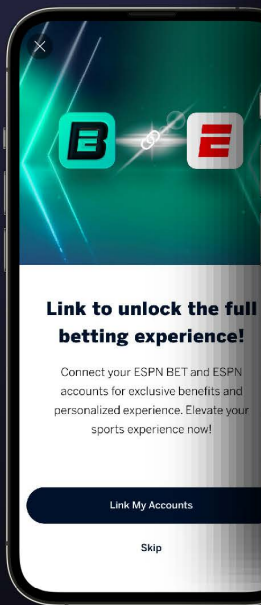


**Congratulations!**

Your accounts are now successfully linked!

Get ready for an exciting journey filled with personalized enhancements and exclusive benefits. Cheers to the adventures that await!

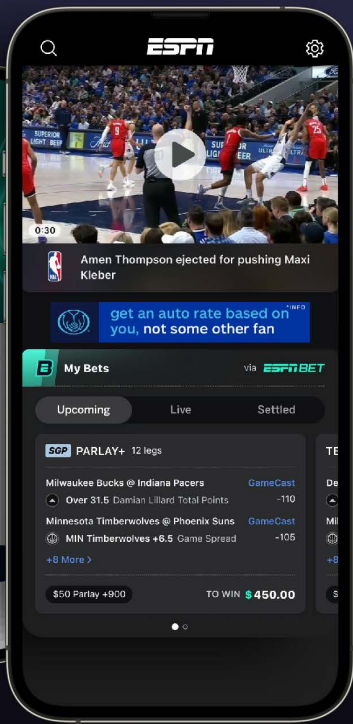
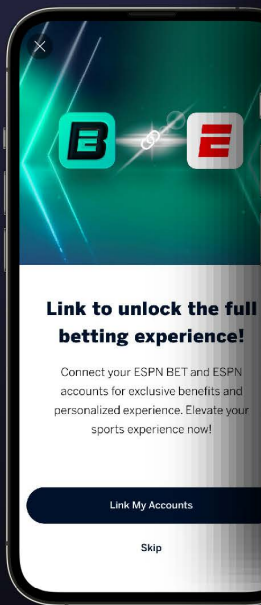
Finish



LAUNCHING BEFORE NBA

# ESPN - ESPN BET ACCOUNT LINKING

- Betslip and place bets are synced across apps for a seamless contextual user experience



**LAUNCHING BEFORE NBA**

**My Bets** via ESPN BET

Upcoming Live Settled

**PARLAY 12 legs**

Bucks @ Pacers	GameCast	
Over 31.5 Damian Lillard Total Points		+100
Timberwolves @ Suns	GameCast	
MIN Timberwolves +6.5 Game Spread		+100

+8 More >

**\$50 Parlay +900 TO WIN \$450.00**

# ESPN BET

## ECOSYSTEM ADVANTAGE

SGP SAME GAME PARLAY  
SVP's Monday Night SGP

Today - 8:20 PM 1.2K bets placed

1+ Touchdown Scorer (M. Evans)

Over 51.5 Rachaad White Total Rushing Yards

Over 43.5 Total Points (CAR @ TB)

+528  
\$10 pays \$62.80



### TALENT

YOUR WEEK 1 ROSTER SPECIAL

ENHANCED ODDS

T. Kelce To Score First Touchdown -135 +140

PLACE BET ON ESPN BET

Odds are subject to change. Must be 21+. Gambling problems? Call 1-800-GAMBLER



### FANTASY

### DIGITAL

### INTEGRATIONS



ESPN FLAGSHIP  
DIRECT TO CONSUMER

My Bets via ESPN BET

Upcoming Live Settled

PARLAY 12 legs

Bucks @ Pacers Over 31.5 Damian Lillard Total Points +100

Timberwolves @ Suns MIN Timberwolves +6.5 Game Spread +100

+8 More >

\$50 Parlay +900 TO WIN \$450.00



# iCasino

# ONLINE CASINO STRATEGY

## BRANDS

HOLLYWOOD  
*Casino*

*theScore* | BET  
SPORTSBOOK & CASINO

## STRATEGY

- 1 Drive top-of-funnel via media assets and retail database
- 2 Cross-sell active online sports betting users into iCasino
- 3 Offer engaging content & user experience



# Q3 PERFORMANCE HIGHLIGHTS

Y/Y Growth

MAUs

GGR

NGR

HOLLYWOOD  
*Casino*

*In Year 1 of ESPN BET Launch*

+233%

+53%

+63%

**theScore** | BET

SPORTSBOOK & CASINO

*In Year 3 of theScore BET Launch*

+27%

+16%

+15%

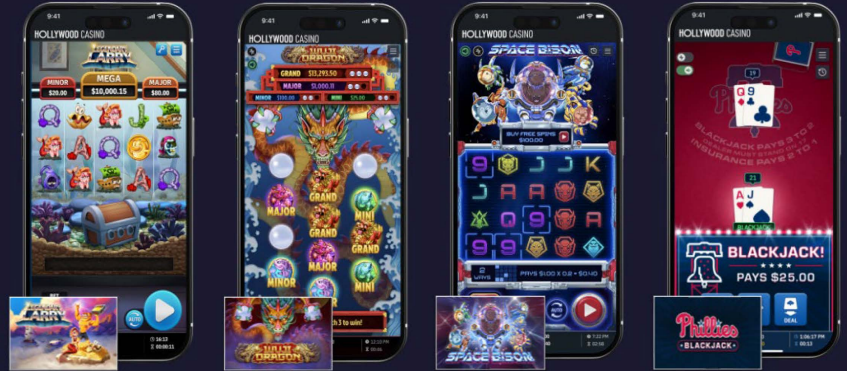
Note: All Q3 2024 data is preliminary.

# INTRODUCTION TO PENN GAME STUDIOS

**Penn Game Studios** is our in-house game design & development studio that creates a variety of original games for both our **Hollywood Casino** and **theScore BET** apps in North America

**26%**  
of Total U.S. iCasino Handle<sup>(1)</sup>

**4 of 5**  
Top iCasino Games



(1) Based on preliminary September 2024 results.

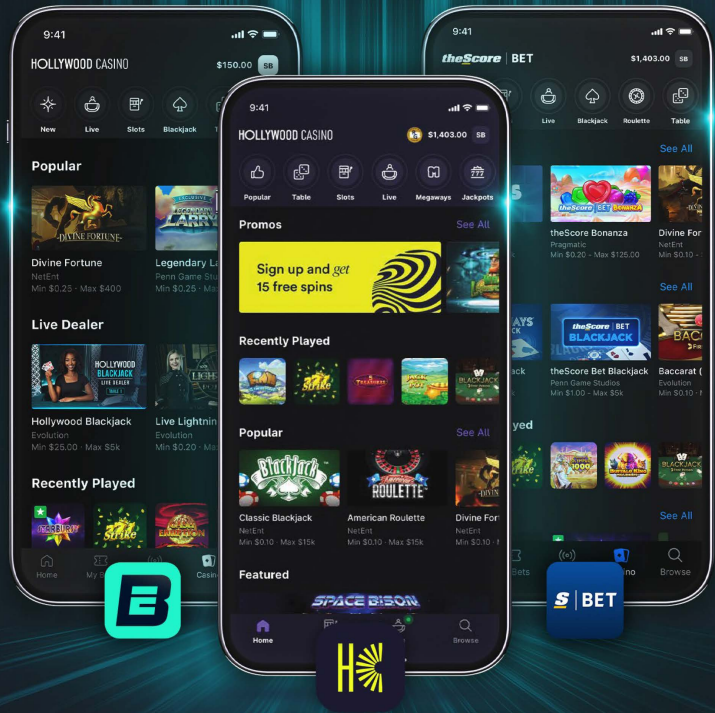


# BRAND EXPANSION

**COMING SOON**  
**Q1 2025**

**HOLLYWOOD**  
*Casino*

Initial **Standalone iCasino**  
App Launch planned for  
Pennsylvania, with additional  
jurisdictions to follow



Note: Estimated launch is subject to regulatory approvals.

# FINANCIALS

Felicia Hendrix, CFO

# 3Q PRELIMINARY RESULTS

## Retail



- Expect third quarter 2024 Retail Operations Adjusted EBITDAR to be in the range of \$465 million to \$475 million
- Unfavorable hold rates within our Northeast segment and volume declines in our South segment associated with severe weather disruptions and hotel remodeling negatively impacted Adjusted EBITDAR by ~\$10M
- Consumer remains stable

## Interactive



- Raising previous third quarter 2024 Interactive Adjusted EBITDA range to \$(100) million to \$(90) million, up from our previous guidance of \$(135) million to \$(115) million
- Better than expected hold driven by a higher parlay mix from our improving product and lower promotional expenses accounted for the upside

Note: Retail Operations Adjusted EBITDAR and Interactive Adjusted EBITDA are the Company's reportable segment GAAP measures. Management utilizes Retail Operations Adjusted EBITDAR as the primary profit measure for its Northeast, South, West, and Midwest segments. Management utilizes Interactive Adjusted EBITDA as the primary profit measure for its Interactive segment. We define Adjusted EBITDA as earnings before interest expense, net, interest income, income taxes, depreciation and amortization, stock-based compensation, debt extinguishment charges, impairment losses, insurance recoveries, net of deductible charges, changes in the estimated fair value of our contingent purchase price obligations, gain or loss on disposal of assets, the difference between budget and actual expense for cash-settled stock-based awards, pre-opening expenses, loss on disposal of a business, non-cash gains/losses associated with REIT transactions, non-cash gains/losses associated with partial and step acquisitions as measured in accordance with ASC 805 "Business Combinations," and other. We define Adjusted EBITDAR as Adjusted EBITDA (as defined above) plus rent expense associated with triple net operating leases (which is a normal, recurring cash operating expense necessary to operate our business).

# OMNI-CHANNEL EXECUTION DRIVES GROWTH

## Retail



- Geographically Diversified
- Industry-Leading Tax-Adjusted Margins
- Growth Opportunities Within Portfolio



## Interactive



- High Growth TAM
- Identified Path to Podium Position
- Efficient Cost Structure
- Medium-Term Inflection to Profit

**Omni-Channel Execution Expected to Lead to Above Average Long-Term Company-Wide Growth**



# Retail

# DIVERSIFIED, GROWTH ORIENTED FOOTPRINT

<u>LTM 2Q 2024</u>	Northeast	South	Midwest	West
Properties <sup>(1)</sup>	16	10	9	4
Adj. EBITDAR Mix	41%	24%	25%	10%
Adj. EBITDAR Margin	30%	40%	42%	38%
Tax Adjusted EBITDAR Margin <sup>(2)</sup>	70%	62%	68% <sup>(4)</sup>	56%
Blended Tax Rate <sup>(3)</sup>	40%	22%	26% <sup>(4)</sup>	18%
Current Projects	Columbus hotel	Margaritaville & Lake Charles hotel room renovations	Aurora & Joliet relocations	M Resort hotel expansion

Note: All percentages above are approximates.

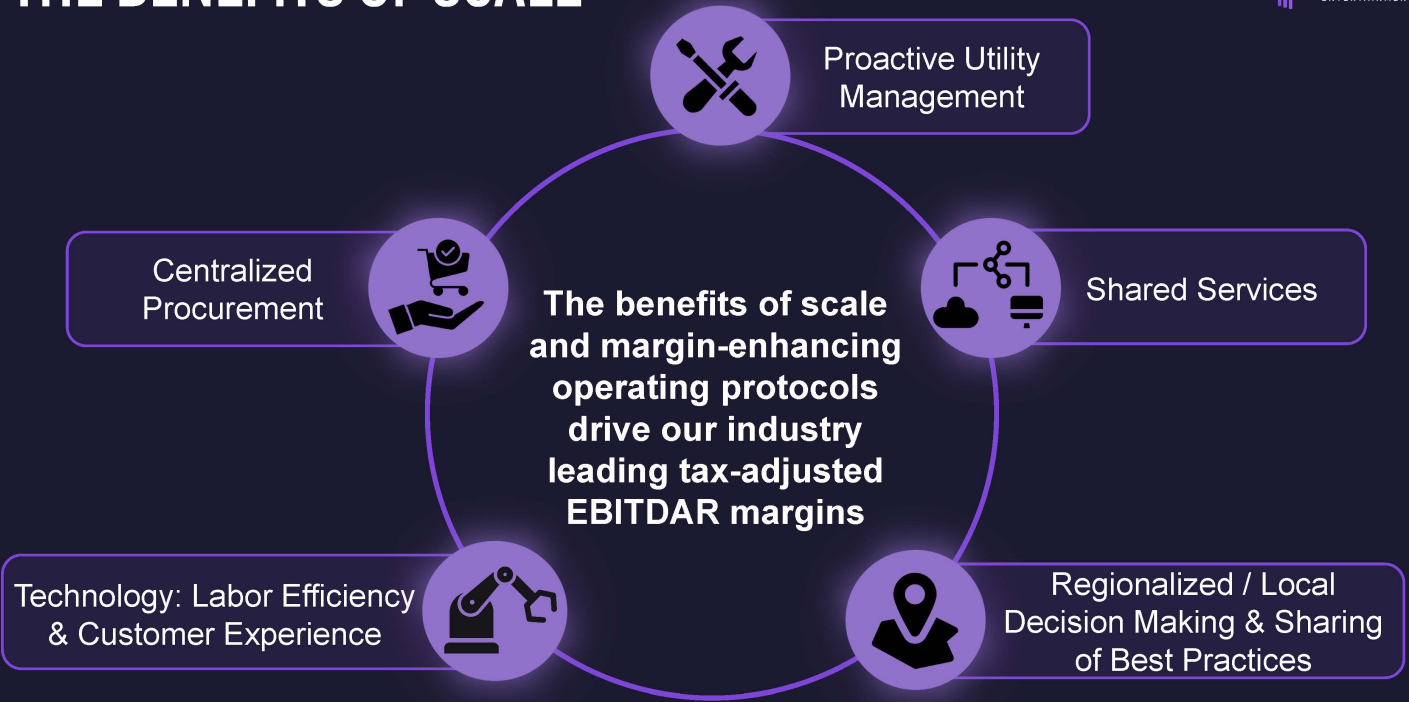
(1) Properties exclude our 3 racing properties in TX, 1 racing property in NJ, 2 OTW facilities in NJ, and 1 OTW facility in FL.

(2) EBITDAR adjusted to add back all gaming and admissions taxes.

(3) Blended tax rate reflects all gaming and admissions taxes as a percentage of revenue by segment.

(4) Midwest tax adjusted EBITDAR margin and blended tax rate exclude all gaming taxes and admissions taxes for our 50% investment in Kansas Entertainment, LLC, which owns Hollywood Casino at Kansas Speedway.

# THE BENEFITS OF SCALE



# INVESTING IN OUR BUSINESS TO DRIVE FCF

Sources		Uses	
GLPI Commitment at 7.75% cap rate	\$225	Relocation of Hollywood Aurora	~\$360
GLPI Commitment at variable cap rate <sup>(1)</sup>	\$350	Relocation of Hollywood Joliet	~\$185
Funding from the City of Aurora	\$50	Hotel at Hollywood Columbus	~\$100
Minimum expected funding from PENN	~\$225	2nd Tower at the M Resort	~\$205
<b>TOTAL</b>	<b>~\$850</b>	<b>TOTAL</b>	<b>~\$850</b>

**\$104m**  
Total Spend to-date <sup>(2)</sup>

(1) GLPI Commitment is at variable cap rate and may be drawn at our discretion.  
 (2) Total spend to-date through June 30<sup>th</sup>, 2024.





# Interactive

# COMPONENTS OF OUR INTERACTIVE BUSINESS



Note: Percentage of revenues today excludes skin tax gross-up revenues and is based on our 2024 net revenue forecast as of Q3 2024.

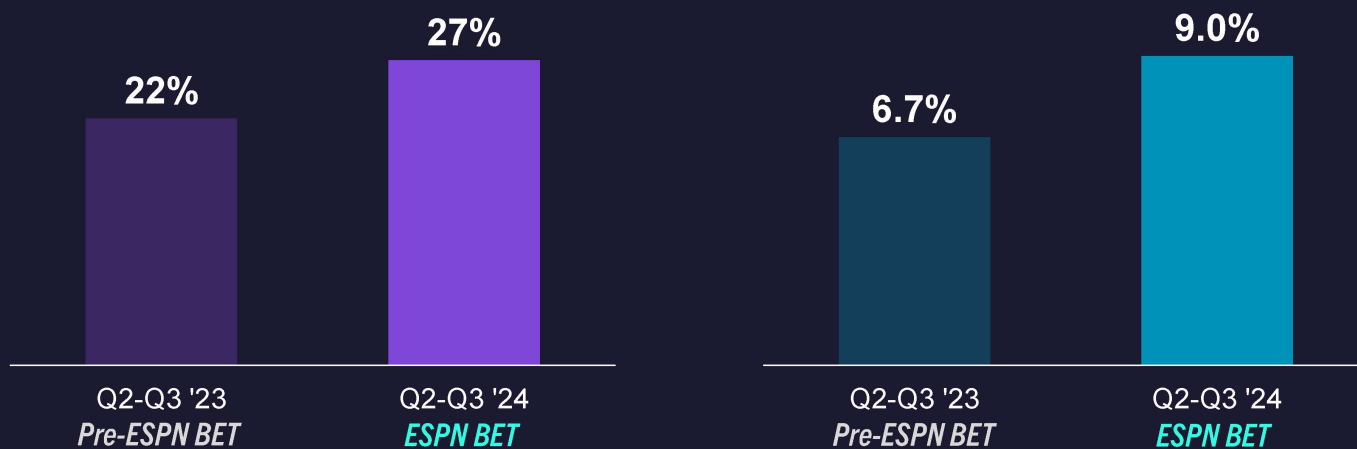
# DELIVERING UPON OUR VISION

Our increased parlay mix has directly benefited hold

Total OSB: Parlay Mix (% of Handle)



Total OSB: Hold Rate %



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

# ONLINE GAMING VARIABLE COST COMPONENTS

Our online gaming variable costs are a function of both volumes and revenues

## Driven by Volumes



**Payment Processing**  
*(# of and % of transactions)*



**KYC / Geolocation**  
*(# of logins)*



**Federal Excise Taxes**  
*(% of handle)*

## Driven by Mix



**Data Fees**  
*(% of handle and/or revenues)*



**League Fees**  
*(% of handle and/or revenues)*

## Driven by Revenues



**Gaming Taxes**  
*(% of revenues)*



**Third Party**  
*(% of revenues)*

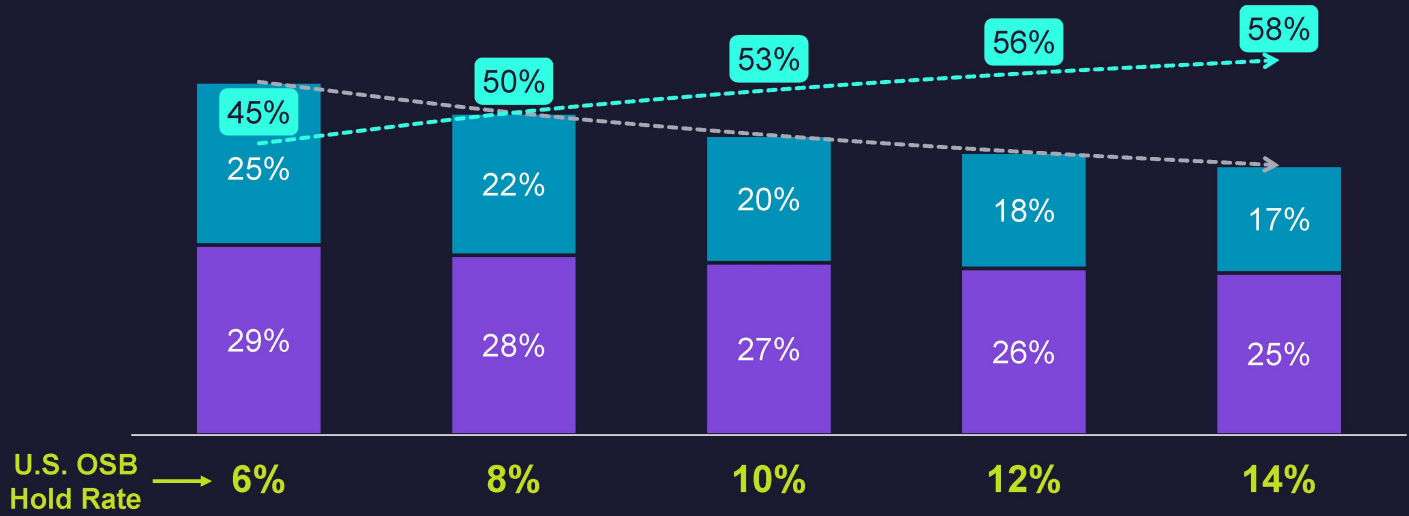


**Market Access**  
*(% of revenues)*

# HOLD HAS AN OUTSIZED IMPACT ON GROSS MARGIN

## Total Interactive: Illustrative Variable Costs as a % of Net Revenue

■ Gaming Taxes 
 ■ All Other Variable Costs 
 --> Total Variable Costs 
 --> Gross Margin



Note: Above is an illustrative example for 2026 based on 8% U.S. OSB handle market share and 6.4% U.S. iCasino GGR market share and excludes skin tax gross-up revenues.

# LEVERAGING OUR FIXED COSTS

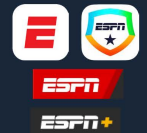
## ESPN Marketing & Warrants *(Fixed)*

- Marketing: \$150M / year
- Warrants: \$55M / year (non-cash)

### ESPN Programming



### ESPN Digital



## Off-Channel Marketing *(Discretionary)*



- Paid Media: U.S. Gaming
- Non-ESPN Programming: U.S. Gaming
- theScore BET Marketing
- Team Partnerships: U.S. & Canada

### Paid Media



### Non-ESPN Programming



### tSB Marketing



### Team Partnerships

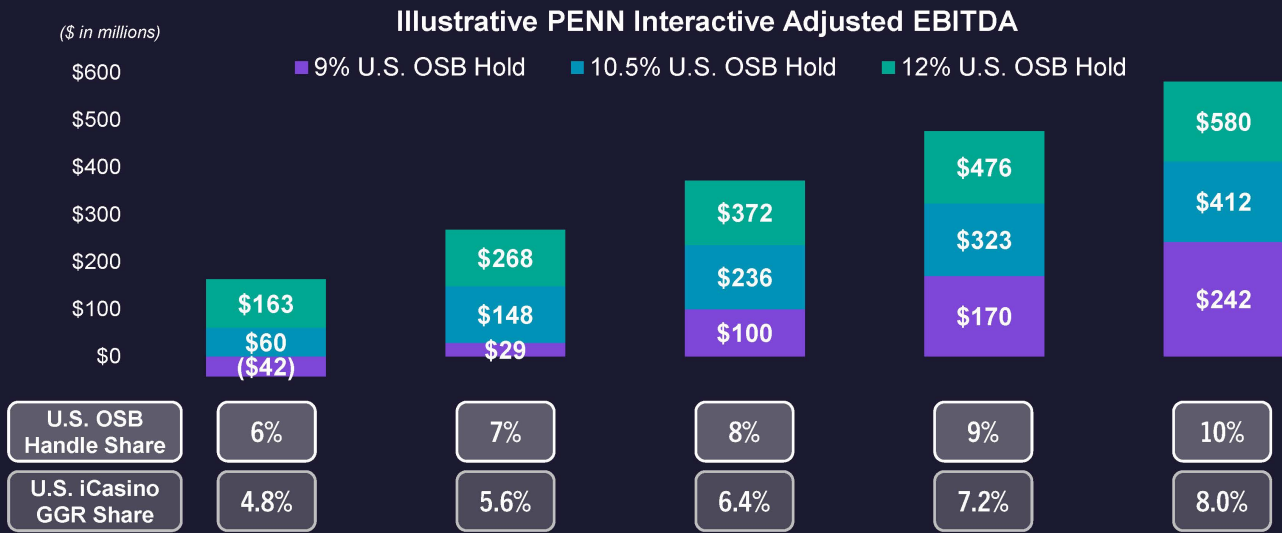


## Payroll, Technology & Other *(Fixed)*

- Includes all headcount and technology related costs

**We gain leverage on our fixed costs as we increase our scale**

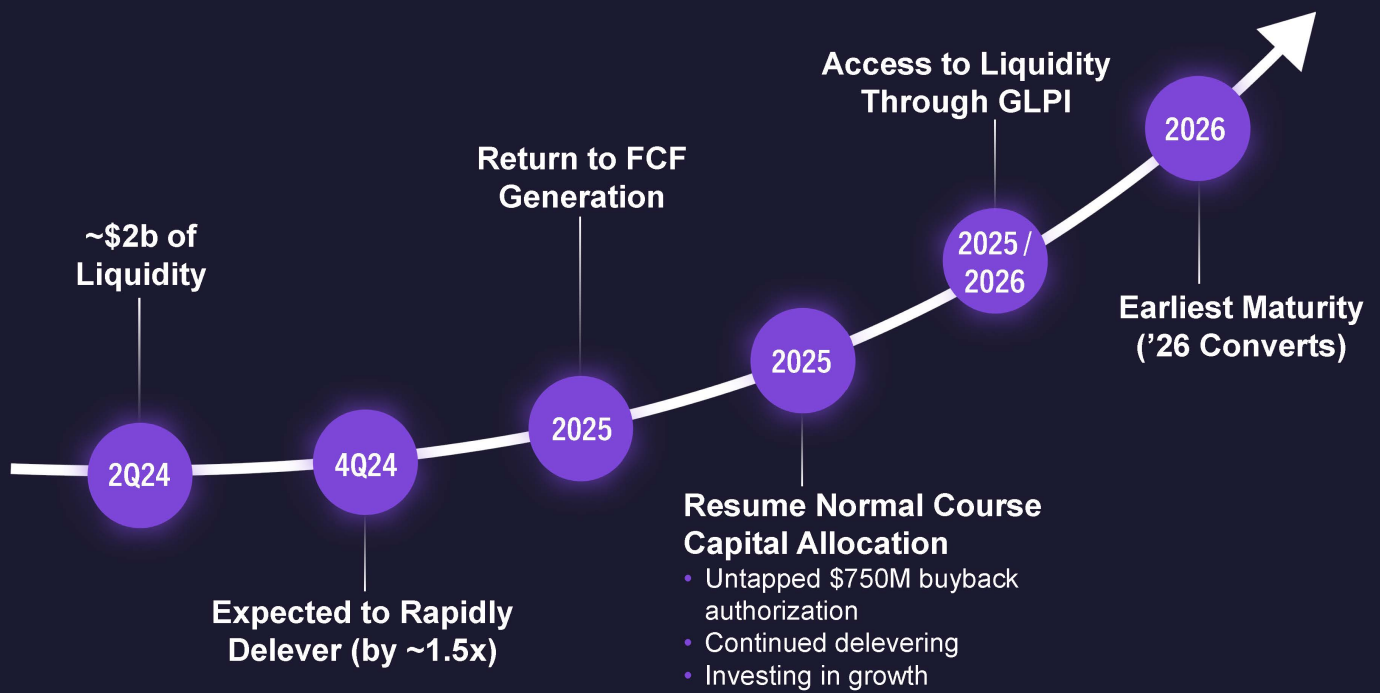
# SIZING THE OPPORTUNITY - 2026 OUTLOOK



**Improvements in structural hold have lowered our break-even levels and bolstered our ability to create significant long-term shareholder value**

Note: The above includes live PENN OSB and iCasino jurisdictions only (19 U.S. states + Ontario for OSB, 4 U.S. states + Ontario for iCasino) based on Eilers & Krejcik and internal 2026 TAM projections.

# WELL-POSITIONED FOR THE FUTURE





# CLOSING REMARKS

Jay Snowden, CEO

# PEOPLE & COMMUNITIES

## 2024 Awards and Accolades

- Time Magazine's World's Best Companies
- Newsweek's Greatest Workplaces for Diversity
- Best of the Best 2024 Top Diverse Employers
- Top 100 Internship Program
- Champion of Board Diversity

**\$8m**

Company-Wide Annual Charitable Contributions

**9,000**

Company-Wide Annual Volunteer Hours



# Q & A



**PENN**  
ENTERTAINMENT