



FANTINI'S GAMING REPORT®

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Special Reporting Service

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Fantini's COVID-19 Gaming Daily

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NOTE: We welcome all news and developments that companies and investors want to submit for this report. Send to Editor@FantiniResearch.com. In addition, you may reach Editor Blake Weishaar at BWeishaar@FantiniResearch.com or by phone at +1 302 730 3793.

MGM LEADERSHIP BUYS SHARES

MGM Resorts new chairman and new CEO are among company leaders who have stepped up to buy shares in the face of the steep sell off.

Chairman Paul Salem bought 340,000 shares at \$11.54 each and now owns 1.140 million shares.

CEO Bill Hornbuckle bought 41,300 shares at an average of \$12.01 and now owns 227,884 shares directly and 148,730 indirectly.

CFO Corey Sanders bought 24,991 shares at an average of \$12.02 and now owns 411,603 shares directly and 36,465 indirectly.

Director Mary Jammet bought 1,550 shares at \$12 each and now owns 19,266.

Activist investor Corvex bought 500,000 shares at \$11.33 through a trading plan and now owns 21.438 million.

ONLINE DEMAND GROWING

Demand for iGaming has been significantly growing since US casino closures, The Innovation Group said.

Growth for both desktop and mobile has grown while acquisition costs have decreased considerably, Innovation quoted an unidentified operator.

Another operator reported the number of daily active users is growing faster than revenue, and a third company reported growth in both real-money and social gaming.

Elsewhere, online lottery revenue and new player signups are booming in the US and Canada, according to Spinola Gaming.

But land-based lottery sales are declining with Massachusetts down \$1.3 million in the second week of March vs. the first week and Arkansas down \$3.6 million in February vs. January.

Ohio land-based lottery terminals in grocery stores are expected to be closed indefinitely.

Lottery operations of Loto-Quebec and Ontario Lottery and Gaming have been completely suspended.

MACAU TRAVEL REBOUND CONTINUING

Macau passenger travel continues to improve as subway traffic was up 15 percent for the week ended March 30 compared to the prior week, analysts from Bernstein said.

However, travel remains as much as 80 percent below last year.

Gaming continues to show a lack of recovery and should fall 80 to 82 percent this month, Vitaly Umansky of Bernstein said.

DEFERRING DIVIDENDS

Companies continue to defer dividends in order to preserve financial flexibility.

Wynn Macau will not pay its annual dividend this year but said it may consider a special dividend when the virus has been contained.

- Star Entertainment will not pay its annual final dividend and its April 1 dividend is being deferred to July 2.

The record date for shareholders remains February 26.

- Svenska Spel canceled its proposed dividend for this year and is furloughing staff.

COMPANY UPDATES: NET GAMING, NWGI, PAGCOR, SUNCITY

- NET GAMING expects COVID-19 to have a limited impact on business and forecasts a first quarter revenue decline of 23.5 percent to €3.1 million.

EBITDA is estimated to fall 33.4 percent to €1.7 million.

Casinos will generate 73 percent of revenue and poker 16 percent. High demand for both segments is expected to continue through the second quarter. Sports betting will only account for 9 percent of revenue.

Net expects revenues to materialize in the second half of the year or next year as events resume.

Net is trying to refinance its bond that matures in September.

- NEWGIOCO said it has sufficient liquidity to fund current obligations thanks to bank facilities and cost cutting.

NWGI will pursue government assistance for 70 percent of employee salaries, and will defer rent and other expenses, the company said.

Revenue fell 20 percent from February to March with sportsbook falling 42.7 percent.

However, online revenues rose 16.6 percent, boosted by growth in poker and virtual sports.

- PAGCOR expects to lose \$98 million to \$118 million in revenue every month that casinos remain closed until April 14, Inside Asia Gaming reported.

The regulator said it is still committed to providing financial support to local casino operators battered by COVID-19.

- SUNCITY's senior managers will take a two-month voluntary pay cut to mitigate the financial impact of COVID-19, GGRAsia reported.

That includes Macau-based VIP management personnel for assistant director positions and above.

Employees are being asked to take unpaid leave for a 30-day period during April and May.

LV: FLIGHT REDUCTIONS, CONSTRUCTION GUIDELINES

Southwest Airlines, McCarran International Airport's largest carrier, reduced flights by 40 percent from peak levels.

Elsewhere, construction workers in Las Vegas are being reminded to follow safety guidelines to allow work to continue during the virus outbreak.

The Occupational Health and Safety Administration is planning to restrict meetings and gatherings to groups of fewer than 10, establishing social distancing measures on worksites and conducting health surveys for workers.

Construction projects in Las Vegas including Genting Malaysia's Resorts World Las Vegas, Circa, the Las Vegas Convention Center expansion and Allegiant Stadium are continuing as planned.

US AND INTERNATIONAL CLOSINGS: CA, RUSSIA, VIETNAM

- California. Jackson Rancheria and Valley View casinos extended their closures until April 12.
- Russia's casinos are closed through April 5.
- Vietnam casinos are through April 15.

DOING GOOD: LVS

• LAS VEGAS SANDS is donating two million medical masks and 20,000 protective suits to healthcare professionals, first responders and non-profit organizations in Nevada and New York.

"Our properties in Las Vegas may be empty right now, but our hearts are full of hope for the future," CEO Sheldon Adelson said.

RELIEF FUNDS: PENN, SGMS, WMH

Note: Below are employee relief funds that you can contribute to. Companies wanting to list their funds should submit information to Editor@FantiniResearch.com.

• PENN NATIONAL. Contributions can be made at www.pnggaming.com/community.

• SCIENTIFIC GAMES donations for the Hardship Relief Fund for employees can be sent to: Scientific Games, 6601 Bermuda Road, Las Vegas, NV 89119.

• WILLIAM HILL US employee relief fund donations can be sent to William Hill USA Foundation, 6325 S. Rainbow Blvd, Suite 100, Las Vegas, NV 89117.

CONVENTIONS, TRADE SHOWS, CONFERENCES, EXPOS

Shows and conferences have been canceled or postponed, due to the coronavirus outbreak. As new dates become available or for those that transition to webinars, they will be listed in our online calendar at <https://www.fantiniresearch.com/conventions.html>.

ABOUT THIS REPORT:

In Fantini's COVID-19 Gaming Daily report we consolidate all developments about the virus that have business and investment implications for the gaming industry. We will post them on our website until further notice. Fantini's COVID-19 Gaming Daily is a Special Report that is included with all levels of Fantini's Gaming Report subscriptions.

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