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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.

NOTE 2: To see additional updates, financial highlights from analysts, and other important gaming news, become a subscriber to Fantini's Gaming Report. For information, contact Alex Capitle at ACapitle@FantiniResearch.com, or online at www.FantiniResearch.com.

WYNN LV PREPARES TO REOPEN

Wynn Resorts appears to be taking the lead in reopening the Las Vegas Strip.

The company announced it is taking hotel reservations for Wynn Las Vegas with the beginning of Memorial Day weekend, which starts May 22.

Memorial Day has been a consistently popular time for Southern California tourists to visit Las Vegas, WYNN spokesman Michael Weaver told the Las Vegas Review-Journal.

WYNN will have all protective measures for guests and employees in place by then, he added.

The opening would be under standards consistent with plans laid out by WYNN CEO Matt Maddox in his 23-page Health Plan that called for the reopening of the Las Vegas Strip in May.

It comes after Phil Ruffin's Treasure Island announced last Thursday that it is taking reservations starting May 15.

But while MGM Resorts has extended its closure through May 21, that still would allow it to reopen for Memorial Day weekend.

Nevada Gov. Steve Sisolak's current closing goes through April 30 and he has not committed to any reopening date saying the state will do so when evidence shows the time is right.

ONLINE CASINO, POKER TO GROW

Online casino revenue in Delaware, New Jersey and Pennsylvania is expected to increase 15 to 30 percent per month from March as land-based players go online, Chris Grove of Eilers & Krejcik Gaming said.

Live dealer games grew volumes as much as 30 percent in March, accounting for 15 to 20 percent of online casino revenue, up from 10 to 12 percent prior to the COVID-19 outbreak, Grove said.

The 42-page Online Casino Tracker is available from Alex Capitle at ACapitle@FantiniResearch.com.

MACAU REVENUE REMAINS DOWN

Macau gaming revenue plummeted 97 percent to just US\$3.1 million in the week ended April 26.

Vitaly Umansky of Bernstein expects April to tumble as much as 95 percent on the assumption that there will be no loosening of travel restrictions this month.

However, revenue should pick up in May and June with the restrictions easing, he said.

Umansky continues to expect this year to decline 37 percent and next year to grow 70 percent.

Andrew Lee of Jefferies expects April to drop at least 93 percent.

ARISTOCRAT SUSPENDS DIVIDEND

Aristocrat suspended its interim dividend as part of its steps to save costs to offset the effects of COVID-19.

Revenue is expected to be impacted by the casino closures, with land-based operations accounting for 60 percent of revenue last year.

The company expects casinos to reopen in phases, with the gradual opening of gaming floors as visitation improves and social distancing and travel limitations ease.

Online operations, which make up 40 percent of revenue, are continuing to perform strongly with higher bookings and play on most platforms, ALL said.

ALL plans to furlough 1,000 employees until the end of June and will permanently eliminate 200 jobs in addition to recent cost-saving initiatives which include a hiring freeze and eliminating discretionary, consultant and contractor spending.

CEO Trevor Croker's base salary will be reduced by 30 percent, director fees will be reduced by 20 percent and salaries for 1,500 staff will be reduced by as much as 20 percent.

ALL has more than A\$1 billion in what the company calls excess liquidity consisting of cash, \$150 million drawn from the revolver and an additional \$136 million available from the upsizing of the revolver earlier this month.

The company had net debt-to-EBITDA of 1.4 times as of September 30. No debt matures until 2024.

COMPANIES: BLOOMBERRY, TRWH

- BLOOMBERRY could see a record loss this year from the COVID-19 shutdown in the Philippines, the Philippine Star quoted CEO Ricky Razon.

Casinos in the Philippines will remain closed until May 15.

- TWIN RIVER amended its financial covenants, now being required to have at least \$75 million in cash at April 30 and May 31, \$65 million at June 30, \$55 million at July 31 and \$50 million at the end of each month after that through the end of March of next year.

Those requirements replace a maximum net debt-to-EBITDA ratio.

The company will not be allowed to pay dividends or make acquisitions in that time and the interest rates on credit facilities will increase by 0.5 percent.

TRWH's net debt-to-EBITDA covenants are 6.25 times by the end of next March declining in steps to 5.5 times by December next year and five times after that.

US: NJ, OK

- NEW JERSEY Gov. Phil Murphy announced a six-step plan to reopen the state, involving:

- Demonstrating sustained reductions of new virus cases.
- Expanding testing.
- Implementing contact tracing.
- Securing safe places and resources for isolation and quarantine.
- Executing responsible restart.
- Ensuring the state's resiliency.

- OKLAHOMA lottery sales jumped 70 percent to \$7 million in the week ended April 24, the Oklahoman reported.

Instant games more than doubled to \$5.8 million.

The Oklahoma Lottery Commission reported increased instant game sales since the COVID-19-related casino closures.

INTERNATIONAL: MACAU, NORWAY, UK

- MACAU International Airport expects the number of flights in May to quintuple over April, GGRAsia reported.

The airport expects to handle 20 flights per day with a daily average of 35 passengers. April had four daily average flights.

In all, 5,200 flights have been canceled in May.

- NORWAY will allow online bingo until May 11 after the local lottery regulator announced another extension to the suspension of in-person bingo registration.

Bingo halls closed March 16 and operators were allowed to offer games online only, which is normally prohibited.

- UNITED KINGDOM gaming operators will not be allowed to advertise on TV and radio for six weeks starting May 7 in an effort to protect from gambling harm.

CLOSURES: MI

- KEWADIN CASINOS in Michigan has extended the shutdown of its five casinos until May 15.

DOING GOOD: ARISTOCRAT, MLCO

- ARISTOCRAT partnered with MELCO RESORTS to distribute 1,700 food packages to hospitals and medical centers in Manila in the Philippines.

FANTINI'S VIRTUAL TRADE SHOW

As COVID-19 has caused the cancellation of many trade shows, now is the time to turn to a virtual show to display and advertise all your product lines and news events too. To exhibit your company, contact Dee Wild-Shyver at DWild@FantiniResearch.com.

See products, demos, and news from exhibitors at www.FantinisGamingShow.com.

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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