



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: *As states are beginning to lessen restrictions and casinos are planning re-openings, we welcome all news and developments for these and anything COVID-19 related. Send your news releases to Editor@FantiniResearch.com. In addition, you may reach Editor Blake Weishaar at BWeishaar@FantiniResearch.com or by phone at +1 302 730 3793.*

PENN RAISING MONEY

Penn National is increasing liquidity by \$575 million in a \$250 million stock sale, \$250 million in convertible senior notes due 2026 and \$37.5 million over allotments in each offering.

The offering should bring PENN's net debt-to-EBITDA down 0.2 to 0.4 times vs. estimates of 6.6 times this year and 5.6 times next year and more in line with levels prior to COVID-19, Thomas Allen of Morgan Stanley noted.

The stock sale could lower PENN's price 5 percent assuming all shares are converted and are sold up to a 20 percent discount to the current price of \$18.43, Allen noted.

MACAU WORKER TRAVEL RULES EASED

In the first easing of traveling restrictions since COVID-19 broke out, Macau and residents of Zhuhai on Mainland China who work in Macau will no longer need to undergo a 14-day quarantine when crossing either border.

It is expected that this first easing will pave the way for others in the coming weeks that allow casino customers from Hong Kong and Guangdong Province on the mainland to travel to Macau.

Edward Engel of Macquarie expects Macau gaming revenue to fall 94 percent in May after it was down 95 percent through the first 10 days of the month.

Vitaly Umansky of Bernstein estimates May to plummet 90 to 95 percent.

He expects a full-year decline of 41 percent and a rebound of 88 percent next year.

OPENINGS: AUSTRALIA, DYNAM, FRANCE, LVS, LA, MA, NY, OPAP, VIETNAM

- AUSTRALIA announced a three-phase plan to reopen the economy by July with Phase Three allowing pubs and clubs to reopen.
- DYNAM JAPAN reopened 101 pachinko halls in 12 prefectures operating with a reduced number of machines and prohibiting players from outside each prefecture.
- FRANCE. Horse racing resumed Monday without spectators.
- LAS VEGAS SANDS plans to reopen the Venetian and Palazzo in June and will continue to pay and offer benefits to staff until then, the Las Vegas Review-Journal reported.
- LOUISIANA casinos can begin reopening Friday. They will be restricted to operating at 25 percent capacity through June 5.
- MASSACHUSETTS gaming commissioners are considering the option of opening outdoor gaming areas.

A reopening date hasn't been set, but the commission's current closure order expires May 18.

- NEW YORK casinos could stay closed into June or later under Gov. Andrew Cuomo's four-phase reopening plan.

In allowing some businesses to open in several rural areas, Cuomo's plan says "...regions must not open attractions or businesses that would draw a large number of visitors from outside the local area."

While casinos are not specifically mentioned, restaurants, hotels and entertainment businesses are not included until the plan's third and fourth phases.

Cuomo will assess implementation every two weeks.

- OPAP's 3,750 betting shops began reopening Monday.
- VIETNAM. Royal Casino Ha Long Bay will reopen Tuesday. Corona Casino reopened Friday.

COMPANIES: PHUMELELA, SKC, TRWH

- PHUMELELA. The South African horse racing operator filed for bankruptcy as the company is facing severe financial stress from horserace closings.

Trading was suspended on the Johannesburg Stock Exchange.

The best option to ensure the long-term survival of the company and South African horse racing is to implement a business rescue plan, Phumelela said.

- SKYCITY plans to cut another 700 jobs after initially furloughing 200 salaried staff in April.
- TWIN RIVER closed on the \$275 million term loan that will help finance the purchase of Eldorado Shreveport Casino in Louisiana and Montbleu Resort in Nevada from Eldorado Resorts.

INTERNATIONAL: NETHERLANDS, PHILIPPINES, SWEDEN

- NETHERLANDS. State-owned Holland Casino will remain closed until September.
- PHILIPPINES. The Phil-Asian Gaming Expo was postponed until next January from July.
- SWEDEN. Operators criticized the new COVID-related iGaming restrictions proposed by the Minister for Health and Social Affairs, saying they would benefit unlicensed operators.

Proposed are a mandatory weekly deposit limit of \$495, a limit on time spent gambling and a bonus cap of \$10 during land-based COVID-19 shutdowns.

DOING GOOD: AESE, SUNCITY, WYNN

- ALLIED ESPORTS is producing an NFL Alumni and Celebrity Call of Duty: Warzone tournament to raise funds for COVID-19 relief.

Players from the NBA, NFL, MLB, and WNBA are signed up to play.

- SUNCITY GROUP donated \$1 million of personal protective equipment to 40 hospitals in Luzon in the Philippines.

- WYNN Las Vegas is donating a VIP package to the ALL IN Challenge fundraiser for food charities.

It includes a private jet for six and a stay at an invitation-only villa.

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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