Bally's

ANNUAL REPORT 2024

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: 001-38850



BALLY'S CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	**20-0904604**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

100 Westminster Street, Providence, RI 02903
(Address of principal executive offices) (Zip Code)

(401) 475-8474
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value of $0.01 per share	**BALY**	**New York Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		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. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the voting common stock held by non-affiliates of the registrant as of June 30, 2024 based on the closing price on the New York Stock Exchange for such date, was approximately $285.4 million.

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding as of February 28, 2025
Common stock, $0.01 par value	**48,509,873**

For additional information regarding the Company's shares outstanding, refer to Note 20 "Stockholders' Equity."

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for the Annual Meeting of Stockholders to be held on May 15, 2025 are incorporated by reference into Part III of this Annual Report on Form 10-K.

BALLY'S CORPORATION

ANNUAL REPORT ON FORM 10-K

TABLE OF CONTENTS

		Page No.
	PART I	
ITEM 1.	Business	4
ITEM 1A.	Risk Factors	11
ITEM 1B.	Unresolved Staff Comments	36
ITEM 1C.	Cybersecurity	37
ITEM 2.	Properties	38
ITEM 3.	Legal Proceedings	38
ITEM 4.	Mine Safety Disclosures	38
	PART II	
ITEM 5.	Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	39
ITEM 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	40
ITEM 7A.	Quantitative and Qualitative Disclosures About Market Risk	53
ITEM 8.	Financial Statements and Supplementary Data	54
ITEM 9.	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	108
ITEM 9A.	Controls and Procedures	108
ITEM 9B.	Other Information	112
ITEM 9C.	Disclosure Regarding Foreign Jurisdictions That Prevent Inspections	112
	PART III	
ITEM 10.	Directors, Executive Officers and Corporate Governance	112
ITEM 11.	Executive Compensation	112
ITEM 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	112
ITEM 13.	Certain Relationships and Related Transactions, and Director Independence	112
ITEM 14.	Principal Accounting Fees and Services	112
	PART IV	
ITEM 15.	Exhibits and Financial Statement Schedules	113
ITEM 16.	Form 10-K Summary	116
	SIGNATURES	117

Cautionary Note Regarding Forward-Looking Statements

This Annual Report on Form 10-K includes forward-looking statements within the meaning of the federal securities laws. Forward-looking statements are statements as to matters that are not historical facts, and include statements about our plans, objectives, expectations and intentions.

Forward-looking statements are not guarantees and are subject to risks and uncertainties. Forward-looking statements are based on our current expectations and assumptions. Although we believe that our expectations and assumptions are reasonable at this time, they should not be regarded as representations that our expectations will be achieved. Actual results may vary materially. Forward-looking statements speak only as of the time of this Annual Report on Form 10-K and we do not undertake to update or revise them as more information becomes available, except as required by law.

Important factors beyond those that apply to most businesses, some of which are beyond our control, that could cause actual results to differ materially from our expectations and assumptions include, without limitation:

- unexpected costs and other events impacting our planned construction projects, including Bally's Chicago;
- unexpected costs, difficulties integrating and other events impacting our completed acquisitions and our ability to realize anticipated benefits;
- risks associated with our rapid growth, including those affecting customer and employee retention, integration and controls;
- risks associated with the impact of the digitalization of gaming on our casino operations, our expansion into online gaming ("iGaming") and sports betting and the highly competitive and rapidly changing aspects of our interactive businesses generally;
- the very substantial regulatory restrictions applicable to us, including costs of compliance;
- global economic challenges, including the impact of public health crises, global and regional conflicts, rising inflation, rising interest rates and supply-chain disruptions, could cause economic uncertainty and volatility and impact discretionary consumer spending;
- restrictions and limitations in agreements to which we are subject, including our debt, could significantly affect our ability to operate our business and our liquidity; and
- other risks identified in Part I. Item 1A. "Risk Factors" of this Annual Report on Form 10-K.

The foregoing list of important factors is not exclusive and does not include matters like changes in general economic conditions that affect substantially all gaming businesses.

You should not place undue reliance on our forward-looking statements.

PART I

ITEM 1. BUSINESS

Bally's Corporation, a Delaware corporation, with global headquarters in Providence, Rhode Island, is referred to as the "Company," "Bally's," "we," "our" or "us." Our common stock is traded on the New York Stock Exchange (the "NYSE") under the symbol "BALY."

Our Company

We are a global gaming, hospitality and entertainment company with a portfolio of casinos and resorts and a growing omni-channel presence. We provide our customers with physical and interactive entertainment and gaming experiences, including traditional casino offerings, iGaming, online bingo, sportsbook and free-to-play ("F2P") games.

As of February 28, 2025, we own and operate 19 casinos in 11 states across the United States ("US"), one golf course in New York, one horse racetrack in Colorado, and Aspers Casino in the United Kingdom ("UK") ("Bally's Newcastle"), which was added to our portfolio in the fourth quarter of 2024. In February 2025, we merged with The Queen Casino & Entertainment Inc. ("Queen") adding four additional casinos to our portfolio. We also own Bally Bet Sportsbook & Casino, a first-in-class sports betting and iCasino platform, Bally's Interactive International division, a leading global interactive gaming operator concentrated in Europe, and a significant stake in Intralot S.A. ("Intralot"), a global lottery management and services business. Our revenues are primarily generated by these gaming and entertainment offerings. Our proprietary software and technology stack is designed to allow us to provide consumers with differentiated offerings and exclusive content.

Our Strategy and Business Developments

We seek to continue to grow our business by actively pursuing the acquisition and development of new gaming opportunities and reinvesting in our existing operations. We believe that interactive gaming represents a significant strategic opportunity for the future growth of Bally's and we will continue to actively focus resources in markets that we believe will regulate iGaming. We seek to increase revenues at our casinos and resorts through enhancing the guest experience by providing popular games, restaurants, hotel accommodations, entertainment and other amenities in attractive surroundings with high-quality guest service. We believe that our recent acquisitions have expanded and diversified us from financial and market exposure perspectives, while continuing to mitigate our susceptibility to regional economic downturns, idiosyncratic regulatory changes and increases in regional competition.

We continue to make progress on the integration of our acquired assets and deploying capital on our strategic growth projects. Notable efforts in the current year include:

- We secured a critical $940 million construction and financing arrangement with Gaming & Leisure Properties ("GLPI"), which positions us to move forward with the construction of our flagship permanent casino in the heart of downtown Chicago. With the demolition of the former Tribune buildings and the City's final approval of our re-imagined permanent Bally's Chicago Casino master plan, we look to begin construction in early 2025. Our existing Chicago Temporary Casino is allowing us to build relationships with players in Chicago and establish our long-term presence in a market with favorable adult population and demographics.
- Early in the fourth quarter of 2024, we completed the controlled demolition of the Tropicana hotel towers in Las Vegas, moving the A's one step closer to the start of stadium construction and allowing Bally's to plan for the broader redevelopment of the site.
- In December 2024, we completed the sale lease-back of certain real property interests underlying our Bally's Kansas City and Bally's Shreveport casino properties to GLPI in a transaction valued at $395 million.
- We launched our Bally Bet Casino iGaming app in Rhode Island, joining New Jersey, Pennsylvania, and Ontario, Canada, offering popular live casino games such as blackjack, roulette and baccarat. Additionally, we continued to expand our North America Interactive presence with our Bally Bet sportsbook app, with our partners, Kambi and White Hat Gaming, further increasing our customer engagement with the Bally brand with a combined presence in 13 US states and Ontario, Canada.
- During the fourth quarter of 2024, we disposed of portions of our international interactive business in Asian and certain other international markets, transferring components of this business to an independent company led by the existing management team for those operations (the "Carved-Out Business"). In addition, we transferred ownership of certain intellectual property used in the business into an independent trust, which began receiving license fees under a new commercial license arrangement. We also purchased a warrant representing a 19.99% fully diluted equity interest in the Carved-Out Business.

- On February 7, 2025, the Company completed its transactions with Standard General L.P. ("Standard General") and its affiliates, including Queen adding four new properties to our portfolio. For further information, refer to Note 1 "General Information" to our consolidated financial statements presented in Part II, Item 8 of this Annual Report on Form 10-K.

These steps have continued to position us as a prominent, full-service, vertically integrated iGaming company, with physical casinos and online gaming solutions united under a single, leading brand.

For further information on our recent acquisitions, refer to Note 7 "Business Combinations" to our consolidated financial statements presented in Part II, Item 8 of this Annual Report on Form 10-K.

Our Operating Structure

Our business is organized into three reportable segments: (i) Casinos & Resorts, (ii) International Interactive, and (iii) North America Interactive.

Casinos & Resorts - includes 19 land-based casino properties, one horse racetrack and one golf course as of February 28, 2025:

Property Name	Location
Bally's Atlantic City Casino Resort ("Bally's Atlantic City")	Atlantic City, New Jersey
Bally's Black Hawk ("Bally's Black Hawk")[1][2]	Black Hawk, Colorado
Bally's Chicago Casino ("Bally's Chicago")[3]	Chicago, Illinois
Bally's Dover Casino Resort ("Bally's Dover")[2]	Dover, Delaware
Bally's Evansville Casino & Hotel ("Bally's Evansville")[2]	Evansville, Indiana
Bally's Kansas City Casino ("Bally's Kansas City")[2]	Kansas City, Missouri
Bally's Lake Tahoe Casino Resort ("Bally's Lake Tahoe")	Lake Tahoe, Nevada
Bally's Quad Cities Casino & Hotel ("Bally's Quad Cities")[2]	Rock Island, Illinois
Bally's Shreveport Casino & Hotel ("Bally's Shreveport")[2]	Shreveport, Louisiana
Bally's Tiverton Casino & Hotel ("Bally's Tiverton")[2]	Tiverton, Rhode Island
Bally's Twin River Lincoln Casino Resort ("Bally's Twin River")	Lincoln, Rhode Island
Bally's Vicksburg Casino ("Bally's Vicksburg")	Vicksburg, Mississippi
Hard Rock Hotel & Casino Biloxi ("Hard Rock Biloxi")[2]	Biloxi, Mississippi
Bally's Arapahoe Park	Aurora, Colorado
Bally's Golf Links at Ferry Point ("Bally's Golf Links")	Bronx, New York
Casino Queen Marquette[4]	Marquette, Iowa
DraftKings at Casino Queen[4]	East St. Louis, Illinois
The Belle of Baton Rouge[4]	Baton Rouge, Louisiana
The Queen Baton Rouge[4]	Baton Rouge, Louisiana

(1) Consists of three casino properties: Bally's Black Hawk North Casino, Bally's Black Hawk West Casino and Bally's Black Hawk East Casino.
(2) Properties leased from GLPI. Refer to Note 18 "Leases" for further information.
(3) Temporary casino facility, as a permanent casino resort is being constructed.
(4) Properties acquired on February 7, 2025, in connection with the transaction with Standard General and certain of its affiliates.

International Interactive - includes Gamesys' European operations and global licensing business, as well as one casino property, Bally's Newcastle, in the UK.

North America Interactive - includes the North American operations of Gamesys, Bally's Interactive, primarily a B2C online iGaming and online sportsbook operator; and consumer facing service and marketing engines, including SportCaller, a business-to-business ("B2B") and F2P game provider for sports betting companies.

Refer to Note 23 "Segment Reporting" to our consolidated financial statements presented in Part II, Item 8 of this Annual Report on Form 10-K for additional information on our segment reporting structure.

Our Brands

Bally's Brand

Bally's is an iconic brand. We performed extensive market research in which active gamers indicated an acute awareness of the brand, but not necessarily a high usage of brand products and gaming offerings. We have rebranded every casino and resort in our portfolio, except Hard Rock Biloxi, to build upon the deep legacy of the Bally's brand.

Additionally, our research told us that gamers across the demographic age spectrum knew of Bally's brand and identified with the gaming entertainment aspect of slot machines, pinball machines, video machines and casinos. We believe in the industrial logic and vision of Bally's becoming a premier, truly integrated, omni-channel gaming company for both retail and online gamers. These insights form the key tenets of our integrated Bally Rewards program specifically to enable customers to utilize compelling rewards universally in our interactive and casino and resort environments.

We believe that our phased approach to the transformation of Bally's brand was thoughtful and deliberate. There are exceptions to our rebranding initiative. For example, in the case of Hard Rock Biloxi, we decided to maintain the current "Hard Rock" naming rights arrangement. Nonetheless, Bally's remains at the center of our strategy.

In summary, we remain focused in our continuing effort to rebirth Bally's brand as a legendary, integrated brand, leveraging our casino and resort, interactive and media environments with a compelling rewards program to rival our competition.

Interactive Brands

We operate a suite of award-winning brands and are focused on building a diverse portfolio of distinctive and recognizable brands that deliver platforms, player experiences and gaming content globally. Our brands are generally as follows, which include certain licensed brands:

- iGaming brands: *Bally Casino*, *Rainbow Riches Casino, Virgin Casino, Virgin Games, Monopoly Casino;*
- Online bingo: *Jackpotjoy, Double Bubble Bingo* and *Botemania;*
- Sportsbook: *Bally Bet* and *Sportsbook*;
- F2P: *Bally Play, Bally Live* and *SportCaller;*
- *Gamesys*, an iGaming and online bingo platform provider and operator; and
- *Telescope*, a provider of real-time audience engagement solutions for live events, gamified second screen experiences and interactive livestreams.

Our Technology and Product Development

At Bally's, we've brought together a blend of real money technology platforms and know-how that together deliver a portfolio of exciting, diverse, and localized gaming products.

At its heart, we combine more than 20 years of experience from competitive European online gaming markets, Bally's iGaming products and entrepreneurial spirit, and strong partnerships with third-party iGaming & Sports providers. Our talented technology and product development teams continue to demonstrate a capability to relentlessly develop our products and launch into new markets. Our teams are highly skilled, ambitious and experienced.

We have implemented a cutting-edge marketing platform that leverages real-time data, artificial intelligence, and machine learning. This platform facilitates real-time data analytics, predictive modeling, and responsible gaming capabilities. It also enables the creation of highly customizable and personalized marketing campaigns, supported by algorithms that enhance player acquisition, retention, engagement, and content personalization. Together with our established gaming platforms, we are optimally positioned to drive growth by optimizing existing markets and preparing to launch in new markets in 2025 and beyond.

In 2024, we significantly expanded and deepened our market presence in North America. In March, we launched an iGaming product in Rhode Island, becoming the exclusive provider for the state for the next 20 years. This offering features live table games streamed from a state-of-the-art live dealer studio at our Bally's Twin River property, in partnership with the live casino software provider Stakelogic B.V. Later that year, we broadened our Sports and iGaming product footprint across North America and unified our platforms, creating a seamless traveling wallet for online players throughout the US. By the end of 2024, we were operational in 13 US states and Ontario, Canada.

Our International Interactive reporting segment has successfully maintained our thriving B2C business in the UK and Spain, while recently expanding into the Republic of Ireland. In 2024, we enhanced JackpotJoy and Bally Casino by adding a Sports product through our partnership with Kambi and updated our Native iOS and Android platforms. We continue to experience robust business growth, driven by ongoing product development innovations and the introduction of new iGaming content from a diverse range of third-party game providers and partners.

Our technology platforms integrate varying levels of proprietary and third-party software. We strategically invest in internally developed technology where we believe it offers a competitive advantage in the market. Our platforms deliver core player account management functionality, including responsible gaming measures, critical compliance components, and high-performance electronic wallets. Our data and analytics platform supports core marketing processes and provides the basis for a global, customer-focused gaming platform across our portfolio of casinos and resorts and online gaming businesses.

We are committed to investing in technology that drives business performance and provides a competitive edge. Our goal is to continuing to integrate our products across our entire portfolio into a unified and seamless customer experience. We plan to continually expand and optimize our data analytics platform to improve the identification of and manage signs of problem gambling, while also delivering entertaining gaming experiences worldwide.

Marketing

The marketing efforts under the Bally's brand are primarily executed through six funnels: advertising, direct marketing, player development, special events and promotions, entertainment and the Bally Rewards loyalty program.

Our Casino Operations team plays a significant role in attracting and retaining our customers. Every customer who interacts with a process, such as an automated teller machine (ATM) or kiosk, or an employee is met with an attempt to garner a return visit and then, in turn, make a recommendation to family and friends. Hence "R2," an abbreviation for "Return and Recommend," is Bally's marketing and casino operations mantra.

The funnels are as follows:

Advertising

Bally's targets its demographics throughout the nation via radio, television, billboards, print, direct mail, email, digital and social media campaigns. We seek to target the right customer at the right time with the right message to increase brand awareness and drive business. We do modest image advertising, but more predominantly lean towards call-to-action messaging.

Direct Marketing

We use direct marketing to establish a personal relationship with customers. This form of marketing typically involves an offer and a call to action to incentivize an initial or additional casino visit or engagement with our iGaming products. Our focus on individual behavior, rather than broad segments (which have been the traditional industry approach), is designed to allow us to execute a "Precision Marketing Model." We believe that we understand the influential attributes that attract players and, as a result, we can market to the point of diminishing returns while avoiding low-return spending.

Player Development

Player development is our link to our premium customers. We utilize a process under the Precision Marketing Model that is designed to enable our team to efficiently manage sales efforts to attract customers. We believe the potential exists to engage increasingly more with our customers as they move throughout our brands.

Special Events and Promotions

This category refers to the mass public promotions that are weaved into the marketing calendar in concert with direct marketing. Our casino marketing team seeks to leverage tried-and-true promotions that attract and entertain players in an effort to retain them for the long term.

Entertainment

The mission to attract and retain gamers is evident in our entertainment strategy. Bally's headliner strategy is to entertain our customers while recovering the cost of the act through cash sales. Additional entertainment is offered at Bally's lounges and bars and designed to support our branding mission which is based on offering an engaging and entertaining experience.

Bally Rewards

Bally Rewards is our core loyalty program and was devised to establish consistency throughout Bally's brand. Players earn tier points to achieve a tier status of Pro, Star, Superstar and ultimately Legend. We are developing the connectivity of this program by our "one card" linking systems, which universally link to all Bally's Casinos & Resorts properties and our interactive business units. We are also planning to provide benefits outside of what is offered in our casinos and resorts to add value to the membership.

Interactive Cross Marketing

Our strategic approach involves crafting collaborative, cross-marketing campaigns that seamlessly integrate direct mail, on-property marketing, and VIP initiatives. These efforts aim to boost interactive sign-ups and attract interactive players to our Casinos & Resorts properties. This innovative cross-marketing strategy is currently being implemented across several of our properties.

Competition

The gaming industry is highly competitive, with numerous operators, including land-based, riverboat, and dockside casinos, video lotteries, traditional lotteries, video gaming terminals, sweepstakes, poker machines, Native American gaming, and emerging varieties of iGaming, daily fantasy sports and sports betting. In a broader sense, our gaming operations compete with various leisure and entertainment activities such as shopping, sports events, television, movies, concerts, and travel. Legalized gaming is available in various forms across the US, several Canadian provinces, and lands held in trust for Native American Tribes and First Nations. In the UK and other international markets, we face similar competitive pressures from both traditional and online gaming operators.We face significant competition in each of the jurisdictions in which we operate, which may intensify with new market entrants or expansions by existing competitors. Our properties compete directly with other gaming properties in each state in which we operate, except for Rhode Island, as well as in adjacent states. Some competitors, especially Native American casinos, benefit from lower or no taxes, further intensifying competition. We believe that increased legalized gaming in other jurisdictions, particularly in areas close to our existing gaming properties and the development or expansion of Native American gaming in or near the states in which we operate, could create additional competition for us and could adversely affect our operations or future development projects. See "Item 1A. Risk Factors" of this Annual Report on Form 10-K for more information on competition.

Seasonality

Casino, hotel and racing operations in our markets are subject to seasonal variation. Seasonal weather conditions can frequently adversely affect transportation routes to each of our properties and may cause flooding and other effects that result in the closure of our properties. As a result, unfavorable seasonal conditions could have a material adverse effect on our operations. Our sports betting business may experience seasonality based on the relative popularity of certain sports at different times of the year.

Human Capital Resources

Engaging and Investing in the Community

The Company believes that in order to flourish in a competitive environment and global economy, all ideas must be on the table, and an environment that welcomes and encourages diverse perspectives leads to success in business. A driving factor of our success is ensuring that our team members are player-centric and proactive in finding ways to entertain and deliver custom experiences for our broad and diverse global players and guests.

We believe that by providing our employees with competitive pay and benefits, as well as opportunities for professional development, we can achieve our goals of attracting and retaining a creative and engaged workforce reflective of our players, guests and customers. Our professional development efforts include robust training programs, at no cost to the employee, scholarships, and tuition reimbursement opportunities. In addition, we recently implemented a Management Development Program, which is designed to allow us to identify and promote high performing talent within our workforce. We also engage with our employees through a number of health and wellness programs which include, an annual wellness fair, annual flu shots, weight loss programs, quarterly fitness challenges, employee assistance program, student loan assistance, and weekly wellness communications providing helpful information on health initiatives.

We also believe in the importance of giving back to our communities and have several community impact initiatives, including fundraising events to support local organizations and community service events. We encourage our employees to participate in these events and recognize their efforts and contributions in their respective communities.

Labor Relations

As of December 31, 2024, we had approximately 10,000 employees. A large number of our employees at our Casinos & Resorts properties within several US states are represented by a labor union and are subject to collective bargaining agreements with us. As of December 31, 2024, we had 32 collective bargaining agreements covering 3,442 employees. Our collective bargaining agreements generally have three-or-five-year terms.

Environmental, Social and Corporate Governance

Bally's is committed to engaging and investing in the communities in which we operate and promoting a diverse and inclusive workplace for our valued team members. We strive to make a positive impact and embrace our commitment to responsible gaming and business practices.

Across all jurisdictions where we are located, we are dedicated to building stronger communities by becoming an integral part of the local community by hosting fundraisers, building relationships, growing tourism, and supporting local non-profits. The Company made a landmark $5 million commitment over five years to the Community College of Rhode Island Foundation as part of a strategic workforce and economic development partnership in the State of Rhode Island. This investment has led to the development and launch of a comprehensive Table Games Dealer Training Academy at the college campus near one of our largest casinos. The program's inaugural class achieved a 100% graduation rate, with all graduates receiving job offers from Bally's; 90% of those graduates remain active team members today.

Building on this success, the Company has initiated two additional workforce development programs in Hospitality & Tourism, Networking Technology, IT, and Cybersecurity. The first new course, "Orientation to Hospitality Management," commenced on October 31, 2024, with additional courses planned for Spring 2025. Certificate programs in Food & Beverage, Casino Marketing, Casino Accounting, Gaming Management, and Sustainable Tourism are scheduled to follow.

In addition, we are committed to ensuring responsible play and guest safety. All our employees participate in training to better equip them to identify and mitigate problem play. The Company is a member of the U.S. Responsible Online Gaming Association and the corporate Leadership Circle for the National Council on Problem Gambling, adopted American Gaming Association's Responsible Marketing Code of Conduct and supported its annual "Have a Game Plan" Campaign, and received RG Check responsible gaming accreditation for online operations BallyCasino.com and VirginCasino.com (since rebranded to MONOPOLYCasinoUS.com). We are also committed to supporting responsible gaming research and donated over $1 million to the International Center of Responsible Gaming for expanded research for underage play prevention and the usage of responsible gaming tools since 2022.

Governmental Gaming Regulation

General

The casino and iGaming industries are highly regulated, and we must maintain licenses and pay gaming taxes in each jurisdiction in which we operate. Our casino and iGaming businesses are subject to extensive regulation under the laws, rules and regulations of the jurisdiction in which we operate. These laws, rules and regulations generally concern the responsibility, financial stability, integrity and character of the owners, managers, officers and certain employees of our gaming operations. Violations of laws or regulations in one jurisdiction could result in disciplinary action in that and other jurisdictions.

Some jurisdictions, including those in which we are licensed, empower their regulators to investigate participation by licensees in gaming outside their jurisdiction and require access to periodic reports reflecting those gaming activities.

Pursuant to the gaming laws in the jurisdictions where we have operations, and under our organizational documents, certain of our securities are subject to restrictions on ownership which may be imposed by specified governmental authorities. These restrictions may require a holder of our securities to dispose of the securities, or, if the holder refuses or is unable to dispose of the securities, we may be required to repurchase the securities.

For a more detailed description of regulations to which we are subject, see Exhibit 99.1, to this Annual Report on Form 10-K, which is incorporated herein by reference.

Our Regulatory Agreement

We are party to an Amended and Restated Regulatory Agreement (the "Regulatory Agreement"), with the Rhode Island Department of Business Regulation ("DBR") and the State Lottery Division of the Rhode Island Department of Revenue ("DoL"). The Regulatory Agreement contains financial and other covenants that, among other things, (i) restrict the acquisition of stock and other financial interests in us, (ii) relate to the licensing and composition of members of our management and Board of Directors (the "Board"), (iii) prohibit certain competitive activities and related-party transactions and (iv) restrict our ability to declare or make restricted payments (including dividends), incur additional indebtedness or take certain other actions, if our leverage ratio exceeds 5.50 to 1.00 (in general being gross debt divided by Adjusted EBITDA, each as defined in the Regulatory Agreement).

The Regulatory Agreement also provides affirmative obligations, including setting a minimum number of employees that we must employ in Rhode Island and providing the DBR and DoL with periodic information updates about us. Among other things, the Regulatory Agreement prohibits us and our subsidiaries from owning, operating, managing or providing gaming specific goods and services to any properties in Rhode Island (other than Bally's Twin River and Bally's Tiverton), Massachusetts, Connecticut or New Hampshire. A failure to comply with the Regulatory Agreement could subject us to injunctive and monetary relief, and ultimately the revocation or suspension of our licenses to operate in Rhode Island.

The DoL also has regulatory authority over Bally's under our VLT master contracts with the DoL. Our master contracts with Rhode Island extended through June 30, 2043, and allow for consolidation of promotional points between Bally's Twin River and Bally's Tiverton, obligate Bally's Twin River to build a 50,000 square foot expansion, obligate Bally's to lease at least 20,000 square feet of commercial space in Providence, and commit us to invest $100 million in Rhode Island over the term, including an expansion and the addition of new amenities at Bally's Twin River. As a licensed Technology Provider since July 1, 2021, Bally's Twin River is entitled to an additional share of net terminal income on Video Lottery Terminals ("VLTs") which they owned or leased. June 2021 legislation in Rhode Island also authorized a joint venture between Bally's and IGT Global Solutions Corporation ("IGT") to become a licensed technology provider and supply the State of Rhode Island with all VLTs at both Bally's Twin River and Bally's Tiverton for a 20.5-year period starting January 1, 2023. The joint venture was organized as the Rhode Island VLT Company, LLC, with IGT owning 60% of the membership interests and Bally's or its affiliates owning 40% of the membership interests ("RI Joint Venture"). On December 30, 2022, Bally's Twin River and Bally's Tiverton purchased additional machines directly from IGT to effectively own 40% of the machines. On January 1, 2023, Bally's Twin River and Bally's Tiverton contributed all of their machines to the RI Joint Venture in return for an aggregate 40% membership interest, and IGT contributed all of their machines at Bally's Twin River and Bally's Tiverton to the RI Joint Venture in return for a 60% membership interest.

Other Laws and Regulations

Our businesses are subject to various laws and regulations in addition to gaming regulations. These laws and regulations include restrictions and conditions concerning alcoholic beverages, food service, smoking, environmental matters, employees and employment practices, currency transactions, taxation, zoning and building codes, marketing and advertising and data privacy. Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted. Material changes to any of the laws, rules, regulations. or ordinances to which we are subject, new laws or regulations or material differences in interpretations by courts or governmental authorities could adversely affect our operating results.

The sale of alcoholic beverages is subject to licensing, control, and regulation by applicable local regulatory agencies. All licenses are revocable and are not transferable. The agencies involved have full power to limit, condition, suspend or revoke any license, and any disciplinary action could, and revocation would, have a material adverse effect upon our operations.

Intellectual Property

We develop intellectual property to differentiate our retail casinos and interactive products from our competitors. Our brands and technology constitute key business assets. In order to protect our brands, technology and other creative output, we rely on a combination of trademarks, copyright, patents, trade secrets and contract law to establish and protect our proprietary rights.

Our core brand in the United States is Bally's and Bally. We use "Bally's" in connection with a majority of our land-based properties. We use variations of "Bally" in connection with our interactive products, including Bally Bet, Bally Live and Bally Play. The Bally's and Bally brand is protected by approximately 170 trademark registrations and applications in the U.S. and foreign jurisdictions. In line with our multi-brand strategy, we register trademarks for brands either directly exploited by us in the provision of gaming services or for the purpose of licensing to third parties. Following the sale of the Carved-Out Business in the fourth quarter of 2024, our in-house brands in foreign jurisdictions include Jackpotjoy, Botemania, Vera & John (in Sweden only) and Bally Casino. We also operate interactive sites under brand license agreements with third parties, including the Virgin, Rainbow Riches, Double Bubble Bingo and Monopoly brands. In addition, we hold an exclusive trademark license for Hard Rock in relation to our Hard Rock Biloxi casino. The Hard Rock license expires in 2027 with an option to renew for two successive ten-year terms.

We create original software code and designs for our interactive gaming and betting services. Our software code is primarily protected by copyright and, to a lesser extent, patents. Although our business is not dependent on any one of our patents or combination of our patents, we file patent applications where we believe it is appropriate to do so. We also license in patented technology where required for the operation of our business. We protect our trade secrets and confidential information by nondisclosure agreements and confidentiality clauses.

While we take action to protect our intellectual property rights, there is always a risk that (i) our proprietary rights become invalidated or unenforceable, (ii) we are unsuccessful in obtaining trademark or patent registrations and (iii) we are unsuccessful in our enforcement efforts and therefore unable to prevent what we consider to be misuse of our intellectual property assets. The laws of some foreign countries do not protect intellectual property rights to the same extent as the laws of the United States. Further, third parties may independently develop similar brands and technologies which would negatively impact the value of our intellectual property.

Corporate Information

We were incorporated in Delaware on March 1, 2004. Our principal executive offices are located at 100 Westminster Street, Providence, Rhode Island 02903, and our telephone number is (401) 475-8474. Our website address is www.Ballys.com. The information that is contained in, or that is accessible through, our website is not part of this filing.

Available Information

We are required to file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the "SEC"). These filings are available on the SEC's website at www.sec.gov. We also make our Annual Reports on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K and all amendments to these reports available free of charge through our corporate website as soon as reasonably practicable after such reports are filed with, or furnished to, the SEC. In addition, our Code of Business Conduct, Corporate Governance Guidelines and charters of the Audit Committee, the Compensation Committee and the Nominating and Governance Committee are available on our website, www.Ballys.com. The information that is contained in, or that is accessed through, our website is not part of this filing.

ITEM 1A. RISK FACTORS

In addition to the other information contained in this Annual Report on Form 10-K, the following risk factors should be considered carefully in evaluating our business. If any of the following risks actually occur, our business, financial condition and results of operations could be adversely affected. If this were to happen, the value of our securities, including our common stock, could decline significantly, and investors could lose all or part of their investment.

Risk Factor Summary

Our business is subject to a number of risks and uncertainties, including those highlighted in this item in this Annual Report on Form 10-K. Some of these principal risks include the following:

General Economic Conditions

Our business is particularly sensitive to reductions in discretionary consumer spending.

Competition

- The gaming industry, including retail casinos and iGaming, is very competitive and increased competition, including through legislative legalization or expansion of gaming by states in or near where we own facilities or through Native American gaming facilities, could adversely affect our financial results.

Compliance, Regulatory and Legal Risks

- We are subject to extensive laws, regulation and licensing, and gaming authorities have significant control over our operations, which could have an adverse effect on our business.
- Failure to comply with the terms of the Regulatory Agreement could result in a breach and could harm our business.
- We are subject to extensive environmental regulation, which creates uncertainty regarding future environmental expenditures and liabilities.
- We or certain third parties that we rely on may fail to establish and maintain effective and compliant anti-money laundering, counter terrorism financing, safer gambling, fraud detection, risk management and other regulatory policies, procedures and controls.
- Our business is subject to a variety of US and foreign laws, many of which are unsettled and still developing, and which could subject us to claims or otherwise harm our business across jurisdictions which could have a material adverse effect on our financial condition and results of operations.
- Our growth prospects depend on the legal status of real money gaming in various jurisdictions and legalization may not occur in as many jurisdictions as we expect or may occur at a slower pace than we anticipate which could adversely affect our future results of operations.

Business Operational Risks

- We are reliant on effective payment processing services from a limited number of providers in each of the markets in which we operate.
- Our profitability will be dependent, in part, on return to players.
- We extend credit to a portion of our customers, and we may not be able to collect gaming receivables from our credit customers.
- Declining popularity of games and changes in device preferences of players could have a negative effect on our business.
- The casino, hotel and hospitality industry is capital intensive and we may not be able to finance development, expansion and renovation projects, which could put us at a competitive disadvantage.
- We may invest in or acquire other businesses, and our business may suffer if we are unable to successfully integrate acquired businesses into our company or otherwise manage the growth associated with multiple acquisitions.
- We face risks associated with growth and acquisitions.
- Our management identified material weaknesses in our internal control over financial reporting which could, if not remediated, result in material misstatements in our consolidated financial statements.
- Our results of operations and financial condition could be adversely affected by the occurrence of natural disasters, such as hurricanes, or other catastrophic events, including war, terrorism and public health crises such as the COVID-19 pandemic.

Cybersecurity, Data Privacy and Technology Risks

- We rely on information technology, Internet infrastructure and other systems and platforms, and any failures, errors, defects or disruptions in our systems or platforms could diminish our brand and reputation, subject us to liability, disrupt our business, affect our ability to scale our technical infrastructure and adversely affect our operating results and growth prospects.
- Our business may be harmed by cybersecurity and data privacy incidents.

Financing Risks

- Our debt agreements, the Regulatory Agreement and other future indebtedness contain or may contain restrictive covenants that may limit our operating flexibility.
- Servicing our indebtedness and funding our other obligations requires a significant amount of cash, and our ability to generate sufficient cash depends on many factors, some of which will be beyond our control.

Risks Related to our Common Stock

- The market price of our common stock could fluctuate significantly.
- Our largest shareholder owns a meaningful percentage of our outstanding common stock, which could limit the ability of other shareholders to influence corporate matters.
- We are not paying dividends and any decision to do so in the future will be at the discretion of our Board.

General Economic Conditions

Our business is particularly sensitive to reductions in discretionary consumer spending.

Our business is particularly sensitive to reductions from time to time in discretionary consumer spending. Demand for entertainment and leisure activities, including gaming, can be affected by changes in the economy and consumer tastes, both of which are difficult to predict and beyond our control. Unfavorable changes in general economic conditions, including recessions, economic slowdowns, sustained high levels of unemployment and rising prices or the perception by consumers of weak or weakening economic conditions, may reduce our users' disposable income or result in fewer individuals engaging in entertainment and leisure activities, such as visiting casinos and casino hotel properties, F2P, sports betting, iCasino and online bingo. A period of sustained inflation, particularly in the US and UK, could materially impact our business. The effects of inflation on discretionary consumer spending could result in the reduction of the demand for entertainment and leisure activities. Moreover, we rely on the strength of regional and local economies in the US for the performance of each of our properties. As a result, we cannot ensure that demand for our offerings will remain constant. Adverse developments affecting economies throughout the world including a general tightening of the availability of credit, increasing energy costs, rising prices, inflation, acts of war or terrorism, natural disasters, declining consumer confidence, significant declines in the stock market or epidemics, pandemics or other health-related events or widespread illnesses, like the COVID-19 pandemic, could lead to a reduction in visitors to our properties, including those that stay in our hotels, or discretionary spending by our customers on entertainment and leisure activities, which could adversely affect our business, financial condition and results of operations.

Competition

The gaming industry, including retail casinos and iGaming, is very competitive and increased competition, including through legislative legalization or expansion of gaming by states in or near where we own facilities or through Native American gaming facilities, could adversely affect our financial results.

We face significant competition in all areas in which we conduct our business. Increased competitive pressures may adversely affect our ability to continue to attract customers or affect our ability to compete efficiently.

Several of our casinos and resorts are in jurisdictions that restrict gaming to certain areas and/or may be affected by state laws that currently prohibit or restrict gaming operations. We also face the risk that existing casino licensees will expand their operations and the risk that Native American gaming will continue to grow. Budgetary and other political pressures faced by state governments could lead to intensified efforts directed at the legalization of gaming in jurisdictions where it is currently prohibited. The legalization of gaming in such jurisdictions could be an expansion opportunity for our business, or create competitive pressures, depending on where the legalization occurs and our ability to capitalize on it. Our ability to attract customers to the existing casinos which we own could be significantly and adversely affected by the legalization or expansion of gaming in certain jurisdictions and by the development or expansion of Native American casinos in areas where our customers may visit.

In addition, our competitors may refurbish, rebrand, or expand their casino offerings, which could result in increased competition. Furthermore, changes in ownership may result in improved quality of our competitors' facilities, which may make such facilities more competitive. Certain of our competitors are large gaming companies with greater name recognition, marketing efforts and financial resources. In some instances, particularly in the case of Native American casinos, our competitors pay lower taxes or no taxes. These factors create additional challenges for us in competing for customers and accessing cash flow or financing to fund improvements for our casino and entertainment products that enable us to remain competitive.

We also compete with other forms of legalized gaming and entertainment such as bingo, pull-tab games, card parlors, sportsbooks, pari-mutuel or simulcast betting on horse and dog racing, state-sponsored lotteries, instant racing machines, VLTs (including racetracks that offer VLTs) and video poker terminals and, in the future, we may compete with gaming or entertainment at other venues. Further competition from online lotteries and other online wagering gaming services, which allow their customers to wager on a wide variety of sporting events and play Las Vegas-style casino games from home, could divert customers from the facilities we own and thus adversely affect our business. Such online wagering services are likely to expand in future years and become more accessible to domestic gamblers as a result of US Department of Justice positions related to the application of federal laws to intrastate online gaming and initiatives in some states to consider legislation to legalize intrastate online wagering. The law in this area has been rapidly evolving, and additional legislative developments may occur at the federal and state levels that would accelerate the proliferation of certain forms of online gaming in the US.

We may also face competition from other gaming facilities which are able to offer sports wagering services (including mobile sports wagering) following the enactment of applicable legislation. Numerous states that border the states in which we operate have pending or proposed legislation which would allow for sports betting, each of which could have an adverse effect on our financial results.

The online gambling industry is highly competitive and we expect more competitors to enter the sector. With several thousand online gambling sites accessible to potential customers around the world with little product differentiation, there is arguably an excess of suppliers. Online and offline advertising is widespread, with operators competing for affiliates and customers who are attracted by sign-up bonuses and other incentives.

Existing and new competitors may also increase marketing spending, including to unprofitable levels, in an attempt to distort the online gambling market to build market share quickly. Some of our competitors have or will have significantly greater financial, technical, marketing and sales resources and may be able to respond more quickly to changes in customer needs. Additionally, these competitors may be able to devote a greater number of resources to the enhancement, promotion and sale of their games and gaming systems. Our future success is or will be dependent upon our ability to retain our current customers and to acquire new customers. Failure to do so could result in a material adverse effect on our business, financial condition and results of operations.

Compliance, Regulatory and Legal Risks

We are subject to extensive laws, regulation and licensing, and gaming authorities have significant control over our operations, which could have an adverse effect on our business.

Our ownership and operation of casino gaming, horse racing facilities, sports betting, VLTs and online offerings are subject to extensive regulation, and regulatory authorities have broad powers with respect to the licensing of these businesses, and may revoke, suspend, condition, fail to renew or limit our gaming or other licenses, impose substantial fines and take other actions, each of which poses a significant risk to our business, results of operations and financial condition. We currently hold all licenses and related approvals necessary to conduct our present operations but must periodically apply to renew many of these licenses and registrations and have the suitability of certain of our directors, officers and employees renewed. There can be no assurance that we will be able to obtain such renewals or that we will be able to obtain future approvals that would allow us to expand our gaming operations. Any failure to maintain or renew existing licenses, registrations, permits or approvals would have a material adverse effect on us. As we expand our gaming operations in our existing jurisdictions or to new areas, we may have to meet additional suitability requirements and obtain additional licenses, registrations, permits and approvals from gaming authorities in these jurisdictions. The approval process can be time-consuming and costly and we cannot be sure that we will be successful. In addition, the loss of a license in one jurisdiction could trigger the loss of a license or affect our eligibility for a license in another jurisdiction. Furthermore, if additional gaming laws or regulations are adopted in jurisdictions where we operate, these regulations could impose additional restrictions or costs that could have a significant adverse effect on us.

Gaming authorities can generally require that any beneficial owner of our securities file an application for a finding of suitability. If a gaming authority requires a record or beneficial owner of our securities to file a suitability application, the owner must generally apply for a finding of suitability within 30 days or at an earlier time prescribed by the gaming authority. The gaming authority has the power to investigate such an owner's suitability and the owner must pay all costs of the investigation. If the owner is found unsuitable, then the owner may be required by law to dispose of our securities.

Our officers, directors and key employees are also subject to a variety of regulatory requirements and various licensing and related approval procedures in the various jurisdictions in which we operate. If any applicable gaming authority were to find any of our officers, directors or key employees unsuitable for licensing or unsuitable to continue having a relationship with us, we would have to sever all relationships with that person. Furthermore, the applicable gaming authority may require us to terminate the employment of any person who refuses to file appropriate applications. Either result could adversely affect our gaming operations.

Applicable gaming laws and regulations may restrict our ability to issue certain securities, incur debt and undertake other financing activities. Such transactions would generally require notice and/or approval of applicable gaming authorities, and our financing counterparties, including lenders, might be subject to various licensing and related approval procedures in the various jurisdictions in which we conduct gaming operations. Applicable gaming laws further limit our ability to engage in certain competitive activities and impose requirements relating to the composition of our Board and senior management personnel. If gaming regulatory authorities were to find any person unsuitable with regard to their relationship to us or any of our subsidiaries, we would be required to sever our relationship with that person, which could materially adversely affect our business.

We are subject to numerous laws that may expose us to liabilities or have a significant adverse impact on our operations. Changes to any such laws could have a material adverse effect on our operations and financial condition.

Our business is subject to a variety of laws, rules, regulations, and ordinances. These laws and regulations include, but are not limited to, restrictions and conditions concerning alcoholic beverages, environmental matters, employees, currency transactions, taxation, anti-money laundering measures, vulnerable customer protections, data privacy, zoning and building codes and marketing and advertising and game design. Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted. Material changes to any of the laws, rules, regulations or ordinances to which we are subject, new laws or regulations or material differences in interpretations by courts or governmental authorities could have an adverse effect on our business, financial condition and results of operations.

Many of our employees, especially those that interact with our customers, receive a base salary or wage that is established by applicable laws that establish a minimum hourly wage that is, in turn, supplemented through tips and gratuities from customers. From time to time, lawmakers have increased the minimum wage. It is difficult to predict when such increases may take place. Any such change to the minimum wage could have a material adverse effect on our business, financial condition and results of operations.

The sale of alcoholic beverages is a highly regulated and taxed business. In the US, federal, state and local laws and regulations govern the production and distribution of alcoholic beverages, including permitting, licensing, trade practices, labeling, advertising, marketing, distributor relationships and related matters. Federal, state and local governmental entities also levy various taxes, license fees and other similar charges and may require bonds to ensure compliance with applicable laws and regulations. Failure to comply with applicable federal, state or local laws and regulations could result in higher taxes, penalties, fees and suspension or revocation of permits, licenses or approvals and could have a material adverse effect on our business, financial condition and results of operations. From time to time, local and state lawmakers, as well as special interest groups, have proposed legislation that would increase the federal and/or state excise tax on alcoholic beverages or certain types of alcoholic beverages. If federal or state excise taxes are increased, we may have to raise prices to maintain our current profit margins. Higher taxes may reduce overall demand for alcoholic beverages, thus negatively impacting sales of our alcoholic beverages at our properties. Further federal or state regulation may be forthcoming that could further restrict the distribution and sale of alcohol products. Any material increases in taxes or fees or the adoption of additional taxes, fees or regulations could have a material adverse effect on our business, financial condition and results of operations.

Legislation in various forms to ban or substantially curtail indoor tobacco smoking in public places have been enacted or introduced in many jurisdictions, including some of the jurisdictions in which we operate. We believe these smoking restrictions can significantly impact business volumes. If additional smoking restrictions are enacted within jurisdictions where we operate or seek to do business, our financial condition, results of operations and cash flows could be adversely affected.

In addition, each restaurant we operate must obtain a food service license from local authorities. Failure to comply with such regulations could cause our licenses to be revoked or our related restaurant business or businesses to be forced to cease operations. Moreover, state liquor laws may prevent the expansion of restaurant operations into certain markets.

Failure to comply with the terms of the Regulatory Agreement could result in a breach and could harm our business.

We are currently a party to the Regulatory Agreement with Rhode Island regulatory agencies. The Regulatory Agreement imposes certain affirmative and negative covenants on us. For more detail on the Regulatory Agreement see the section entitled "Governmental Gaming Regulation" in "Item I. Business" of this Annual Report on Form 10-K. A failure to comply with the provisions in the Regulatory Agreement could subject us to injunctive or monetary relief, payments to the Rhode Island regulatory agencies and ultimately the revocation or suspension of our licenses to operate in Rhode Island. Any such remedy could adversely affect our business, financial condition and results of operations. Among other things, the Regulatory Agreement prohibits us and our subsidiaries from owning, operating, managing or providing gaming specific goods and services to any gaming facilities in Rhode Island (other than Bally's Twin River and Bally's Tiverton), Massachusetts, Connecticut or New Hampshire, which may adversely affect our growth and market opportunity in those states.

We are subject to extensive environmental regulation, which creates uncertainty regarding future environmental expenditures and liabilities.

We are subject to various environmental laws and regulations that govern activities that may have adverse environmental effects, such as discharges to air and water, as well as the management and disposal of solid, animal and hazardous wastes and exposure to hazardous materials. These laws and regulations, which are complex and subject to change, include US Environmental Protection Agency regulations. In addition, our horse racing facility in Colorado is subject to state laws and regulations that address the impacts of manure and wastewater generated by concentrated animal feeding operations ("CAFO") on water quality, including storm water discharges. CAFO regulations include permit requirements and water quality discharge standards. Enforcement of CAFO regulations has been receiving increased governmental attention. Compliance with these and other environmental laws can, in some circumstances, require significant capital expenditures. For example, we may incur future costs under existing and new laws and regulations pertaining to storm water and wastewater management at our racetracks. Moreover, violations can result in significant penalties and, in some instances, interruption or cessation of operations.

We are also subject to laws and regulations that create liability and cleanup responsibility for releases of regulated materials into the environment. Certain of these laws and regulations impose strict, and under certain circumstances joint and several, liability on the current or previous owner or operator of property for the costs of remediating regulated materials on or emanating from our property. The costs of investigation, remediation or removal of those substances may be substantial. The presence of, or failure to remediate properly, such materials may adversely affect the ability to sell or rent such property or to borrow funds using such property as collateral. Additionally, as an owner or manager of real property, we could be subject to claims by third parties based on damages and costs resulting from environmental contamination at or emanating from third-party sites. These laws typically impose clean-up responsibility and liability without regard to whether the owner or manager knew of or caused the presence of the contaminants and the liability under those laws has been interpreted to be joint and several unless the harm is divisible and there is a reasonable basis for allocation of the responsibility. In addition, environmental requirements address the impacts of development on wetlands.

The possibility exists that contamination, as yet unknown, may exist on our properties. There can be no assurance that we will not incur expenditures for environmental investigations or remediation in the future.

We are or may become involved in legal proceedings that, if adversely adjudicated or settled, could impact our business and financial condition.

From time to time, we are named in lawsuits or other legal proceedings relating to our businesses. In particular, the nature of our business subjects us to the risk of lawsuits filed by customers, past and present employees, shareholders, competitors, business partners and others in the ordinary course of business. As with all legal proceedings, no assurances can be given as to the outcome of these matters. Moreover, legal proceedings can be expensive and time consuming, and we may not be successful in defending or prosecuting these lawsuits, which could result in settlements or damages that could adversely affect our business, financial condition and results of operations.

We or certain third parties that we rely on may fail to establish and maintain effective and compliant anti-money laundering ("AML"), counter terrorism financing, safer gambling, fraud detection, risk management and other regulatory policies, procedures and controls.

We handle significant amounts of cash in our operations and are subject to various reporting and AML laws and regulations. Recently, US governmental authorities and the British gambling regulator, the Great Britain Gambling Commission (the "GBGC"), have evidenced an increased focus on compliance with AML laws and regulations in the gaming industry. Any violation of AML laws or regulations could have a material adverse effect on our business, financial condition and results of operations. Internal control policies and procedures and employee training and compliance programs that we have implemented to deter prohibited practices may not be effective in prohibiting our customers, employees, contractors or agents from violating or circumventing our policies and the law. If we or our employees or agents fail to comply with applicable laws or our policies governing our operations, we may face investigations, prosecutions and other legal proceedings and actions which could result in civil penalties, administrative remedies and criminal sanctions. Any such government investigations, prosecutions or other legal proceedings or actions could have a material adverse effect on our business, financial condition and results of operations.

The regulatory framework which governs our business, and its interpretation, may be subject to change which we may fail to anticipate and/or respond to.

Online and land-based gambling operators licensed in the UK and other jurisdictions are obliged to establish and maintain compliant AML, anti-terrorism, safer gambling, fraud detection, risk management and other regulatory policies, procedures and controls to mitigate and effectively manage these risks. In the event that they fail to do so, they may be subject to enforcement action by gambling regulators or other governmental agencies or private action by affected third parties. In the event of a breach, a range of sanctions may be imposed, including financial penalties or regulatory settlements, public warnings, the imposition of special operating conditions or license conditions and the suspension or revocation of gambling licenses.

In addition, there is a risk that increased AML regulatory and safer gambling measures in the UK will prove to be challenging for us. If we are required to conduct t new financial risk checks on our highest value customers, some may be unwilling to provide the additional information and/or documentation required by us in the UK to ascertain their sources of wealth, the affordability of their leisure spending with us or their risk of gambling related harm or vulnerability, and to continue to verify such information.

We hold licenses issued by the GBGC. The holders of such licenses are bound to meet stringent compliance requirements relating to matters such as AML, safer gambling, data protection, advertising and consumer rights issues. Compliance with such requirements is incorporated into the relevant licenses as a licensing condition (or similar) with a corresponding requirement for us to comply with various requirements. In September 2022, the GBGC began the implementation of updated social responsibility licensing conditions. All licensees must now have in place effective systems and processes to monitor customer activity to identify harm or potential harm associated with gambling, from the point when an account is opened. The indicators licensees must use to identify harm or potential harm associated with gambling include customer spend, patterns of spend, time spent gambling, gambling behavior indicators, customer-led contact, use of gambling management tools and account indicators. These requirements may significantly impact our business if we are unable to establish the affordability of customers on the basis of available evidence and/or because customers are unwilling to provide the information requested.

The failure by any third-party providers or any relevant entity within the Company to establish and maintain effective and compliant AML, counter terrorism, anti-bribery, fraud detection, regulatory compliance and risk management processes may have a material adverse effect on our business, financial condition and results of operations.

In carrying out its functions, the GBGC is under a statutory duty to ensure that license holders are operating their businesses in ways that are reasonably consistent with the licensing objectives set out in the Gambling Act 2005 (currently the primary legislation governing the licensing and regulation of gambling in Great Britain) (the "Gambling Act"), which are: (1) preventing gambling from being a source of (or associated with) crime or disorder, or being used to support crime; (2) ensuring that gambling is conducted in a fair and open way; and (3) protecting children and other vulnerable people from being harmed or exploited by gambling.

While the objectives of regulation may remain largely stable, the methods that operators are required to employ to meet those objectives, and the interpretation of those objections by the regulator, are in a state of constant evolution and development. We must respond adequately to the challenges this presents. If we are found to be in breach of our obligation to comply with such licensing requirements, then the GBGC may impose a financial penalty on us or impose other sanctions, including removing or imposing conditions on the relevant gambling licenses. Such action could have a material adverse effect on our financial performance.

New legislation governing the online gaming industry may be introduced in the UK which limits or restricts our operating model in that market.

In December 2020, the UK government commenced a review of the Gambling Act. As a result of this review, in April 2023 the UK government issued proposals to amend the Gambling Act, and these proposals are subject to a series of public consultations. The UK government proposals are structured around six main themes: (1) online player protections regarding players and products; (2) marketing and advertising; (3) the powers of the GBGC; (4) dispute resolution and consumer redress; (5) children and young adults; and (6) land-based gambling. There is a risk that the introduction of more stringent, safer gambling and/or AML regulatory measures in the UK may prove operationally onerous for us. Moreover, the potential for the introduction of stake, speed and prize limits and the introduction of deposit, loss and spend limits may operate to impact our financial performance and reduce the long-term growth opportunities for us in the UK.

Our business is subject to a variety of US and foreign laws, many of which are unsettled and still developing, and which could subject us to claims or otherwise harm our business across jurisdictions. Any change in existing regulations or their interpretation, or the regulatory or prosecutorial climate applicable to our products and services, or changes in tax rules and regulations or interpretation thereof related to our products and services, could adversely impact our ability to operate our business as currently conducted or as we seek to operate in the future, which could have a material adverse effect on our financial condition and results of operations.

We are generally subject to laws and regulations relating to iGaming in the jurisdictions in which we conduct business, as well as the general laws and regulations that apply to all e-commerce businesses, such as those related to privacy and personal information, tax and consumer protection. These laws and regulations vary by jurisdiction, and future legislative and regulatory action, court decisions or other governmental action, which may be affected by, among other things, political pressures, attitudes and climates, as well as personal biases, may have a material impact on our operations and financial results. Some jurisdictions have introduced regulations attempting to restrict or prohibit online gaming, while others have taken the position that online gaming should be licensed and regulated and have adopted or are in the process of considering legislation and regulations to enable that to happen. The regulatory environment in any particular jurisdiction may change in the future and any such change could have a material adverse effect on our results of operations.

Future legislative and regulatory action, and court decisions or other governmental action, may have a material impact on our operations and financial results. Governmental authorities could view us as having violated local laws, despite our efforts to obtain all applicable licenses or approvals. There is also risk that civil and criminal proceedings, including class actions brought by or on behalf of prosecutors or public entities or incumbent monopoly providers, or private individuals, could be initiated against us, Internet service providers, credit card and other payment processors in the iGaming industry. Such potential proceedings could involve substantial litigation expense, penalties, fines, seizure of assets, injunctions or other restrictions being imposed upon our licensees or other business partners, while diverting the attention of key executives. Such proceedings could have a material adverse effect on our business, financial condition and results of operations, as well as impact our reputation.

Our growth prospects depend on the legal status of real money gaming in various jurisdictions and legalization may not occur in as many jurisdictions as we expect, or may occur at a slower pace than we anticipate. Additionally, even if jurisdictions legalize real money gaming, this may be accompanied by legislative or regulatory restrictions and/or taxes that make it impracticable or less attractive to operate in those jurisdictions, or the process of implementing regulations or securing the necessary licenses to operate in a particular jurisdiction may take longer than we anticipate, which could adversely affect our future results of operations and make it more difficult to meet our expectations for financial performance.

Several jurisdictions have legalized or are currently evaluating the legalization of real money gaming, and our business, financial condition, results of operations and business prospects are significantly dependent upon the status of legalization in these jurisdictions. Our business plan is partially based upon the legalization of real money gaming in additional jurisdictions and the legalization may not occur as anticipated. Additionally, if a large number of additional jurisdictions enact real money gaming legislation and we are unable to obtain, or are otherwise delayed in obtaining, the necessary licenses to operate iGaming websites in jurisdictions where such games are legalized, our future growth in iGaming could be materially impaired.

As we enter new jurisdictions, governments may legalize real money gaming in a manner that is unfavorable to us. As a result, we may encounter legal, regulatory and political challenges that are difficult or impossible to foresee and which could result in an unforeseen adverse impact on planned revenues or costs associated with the new opportunity. Jurisdictions also impose substantial tax rates on iGaming revenue. Tax rates, whether federal- or state-based, that are higher than we expect will make it more costly and less desirable for us to launch in a given jurisdiction, while tax increases in any of our existing jurisdictions may adversely impact profitability.

Therefore, even in cases in which a jurisdiction purports to license and regulate iGaming, the licensing and regulatory regimes can vary considerably in terms of business-friendliness, and at times may be intended to provide incumbent operators with advantages over new licensees. Therefore, some “liberalized” regulatory regimes are considerably more economically viable than others.

We derive meaningful revenues from players located in jurisdictions in which we do not hold a license.

In certain jurisdictions, online gambling is either not regulated at all, is subject to very limited regulation or its legality is unclear. These jurisdictions are commonly referred to in the gaming industry as "unregulated jurisdictions." Certain of our products are made available to players in unregulated jurisdictions, on either a B2B or B2C basis. The relevant transactions in such unregulated jurisdictions and the associated player relationships that underpin them are generally regulated in either Malta or Gibraltar which use "point of supply" gambling regimes. We and our commercial partners hold point-of-supply licenses in Malta and Gibraltar. Therefore, such transactions are in fact heavily regulated but are not themselves regulated in the jurisdiction within which the player is ultimately located.

Operators within the online gambling industry, including Bally's, have commonly taken a risk-based approach when supplying their online gambling services into jurisdictions in which it is not possible to obtain a gambling license. In these circumstances, online gambling operators may justify their remote supply of gambling services for a number of reasons, including a "country of origin" basis which asserts that it is lawful to supply online gambling services remotely from a jurisdiction in which a gambling license is held in another jurisdiction, unless there is something within the laws of that second jurisdiction that explicitly outlaws such provision and explicitly applies to such inward supply emanating from outside its borders.

There is a risk that such jurisdictions may enact regulations relating to online real money gaming and that we may be required to register our activities or obtain licenses (or obtain further registrations or licenses, as applicable), pay taxes, royalties or fees or that the operation of online gambling businesses in such jurisdictions may be prohibited entirely. The implementation of additional licensing or regulatory requirements, prohibitions or payments in such jurisdictions could have an adverse effect on the viability of our revenue, operations, business or financial performance. Where we or our partners fail to obtain the necessary registrations or licenses, make the necessary payments or operate in a jurisdiction where online gambling is deemed to be or becomes prohibited, we or our partners may be subject to investigation, penalties or sanctions or forced to discontinue operations entirely in relation to that jurisdiction. Any such actions may also have an adverse impact on the way our regulators regulate us in the jurisdictions in which we hold licenses.

Certain of our technology providers, payment processing partners or other suppliers of content or services (collectively, "Infrastructure Services") may cease to provide, or limit the availability of, such Infrastructure Services to the extent we derive revenue from, or makes such Infrastructure Services available to customers in, unregulated jurisdictions. There is no assurance that we would be able to identify suitable or economical replacements if such Infrastructure Services become unavailable.

There is also a risk that civil and criminal proceedings, including class actions brought by or on behalf of prosecutors or public entities, incumbent monopoly providers or private individuals, could be initiated against us or providers of our Infrastructure Services in unregulated jurisdictions. Such potential proceedings could assert that online gambling services have not been lawfully supplied into the domestic market and could involve substantial litigation expense, penalties, fines, seizure of assets, injunctions or other restrictions being imposed on us or our business partners and may divert the attention of our key executives. If we become subject to any such investigations, proceedings and/or penalties in one jurisdiction, this may lead to investigations, proceedings and/or penalties arising in other jurisdictions in which we operate and/or hold a license. Such investigations, proceedings and/or penalties could have a material adverse effect on our business, financial condition and results of operations, as well as our reputation. We derive meaningful revenues from players located in jurisdictions in which a license from that jurisdiction is not available.

We are exposed to exchange rate risks.

Foreign exchange risk arises when individual group entities enter into transactions denominated in a currency other than their functional currency. Our policy is, where possible, to allow our entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. Where our entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them), cash already denominated in that currency will, where possible, be transferred from elsewhere within Bally's. Apart from these particular cash flows, we aim to fund expenses and investments in the respective currency and to manage foreign exchange risk at a local level by matching the currency in which revenue is generated and expenses are incurred, as well as by matching the currency of our debt structure with the currency that cash is generated in. However, no assurance can be given that these policies will deliver all, or substantially all, of the expected benefits.

A vast majority of the revenues currently generated by Gamesys, our wholly owned subsidiary, are from the UK and are conducted in British Pound Sterling ("GBP") and are therefore susceptible to any movements in exchange rates between GBP and US Dollars ("USD"). Any exchange rate risk may materially adversely affect our business, financial condition and results of operations.

Our substantial activities in foreign jurisdictions may be affected by factors outside of our control.

A portion of our operations are conducted in non-US jurisdictions. As such, our operations may be adversely affected by changes in foreign government policies and legislation (including gambling legislation) or social instability and other factors that are not within our control, including renegotiation or nullification of existing contracts or licenses, changes in gambling policies, regulatory requirements or the personnel administering them, currency fluctuations and devaluations, exchange controls, economic sanctions, tax increases, retroactive tax claims, changes in taxation policies, risk of terrorist activities, revolution, border disputes, implementation of tariffs and other trade barriers and protectionist practices, volatility of financial markets and fluctuations in foreign exchange rates, difficulties in the protection of intellectual property, labor disputes and other risks arising out of foreign governmental sovereignty over the areas in which operations are conducted. Our operations may also be adversely affected by laws and policies of such foreign jurisdictions affecting foreign trade, taxation and investment. Accordingly, our activities in foreign jurisdictions could be substantially affected by factors beyond our control, any of which could have a material adverse effect on our business, financial condition and results of operations.

In the event of a dispute arising in connection with operations in a foreign jurisdiction where we conduct business, we may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of the US or enforcing US judgments in such other jurisdictions. We may also be hindered or prevented from enforcing their rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity.

We may also enter into agreements and conduct activities outside of the jurisdictions in which we currently carry on business, which expansion may present challenges and risks as a result of the factors described above that we have not faced in the past, any of which could have a material adverse effect on our business, financial condition and results of operations.

Our activities are affected by the General Data Protection Regulation, as implemented in each of the UK and the EU (collectively, "GDPR").

We are required to comply with the GDPR to the extent that we either: (1) have customers located in the UK and the EU or (2) conduct the processing of personal data in the UK and the EU. The impact of the GDPR is of particular relevance to our marketing activities and information technology security systems and procedures. The GDPR and associated e-privacy laws impose constraints on the ability of a data controller to profile and market to customers. Data subjects have the right to object to a controller processing their data in certain circumstances, including the right to object to their data being processed for the purposes of direct marketing. Controllers of personal data are required to maintain written records as to how they comply with the GDPR and provide more detailed information to data subjects in relation to how their data is being processed. In addition, updated e-privacy laws are under consideration in the UK and the EU to update the legislative rules applicable to digital and online data processing and to align e-privacy laws to the GDPR. The GBGC has separately introduced limitations on the use of personal data by holders of operating licenses, particularly in relation to direct marketing.

The GDPR also increased the level of fines which may be imposed for a breach of data protection laws, with the maximum fine (in the most serious cases of a breach of the GDPR) being the higher of €20 million (£17.5 million for the UK) or four percent of annual worldwide turnover. In certain instances, we could be held jointly responsible for breaches committed by the third-party service providers which we use or by other third parties with whom we share personal data.

Many of the obligations imposed on controllers by the GDPR are expressed as high-level principles, such as the obligation to act fairly with respect to the processing of personal data. The manner in which the data regulators and courts will interpret and apply the GDPR is and will continue to evolve over time. In addition, as a result of Brexit, the application of the GDPR in the UK and the EU will increasingly diverge, posing even greater compliance challenges for businesses operating in these jurisdictions. These procedures and policies may adversely affect our business by constraining our data processing activities or by increasing our operational and compliance costs. Additional updates to these policies and procedures and associated operational changes may be required and costs incurred to comply with updates to e-privacy laws.

If our or any third-party service providers' data processing activities breach the GDPR (or associated e-privacy laws), then we could, whether as a result of a failure to implement adequate policies and procedures or otherwise, face significant fines and/or the revocation of existing licenses and/or the refusal of new applications for licenses, as well as claims by customers and reputational damage. The resultant losses suffered could materially adversely affect our business, financial condition and results of operations. There can be no assurances that we would be able to recoup such losses, whether in whole or in part, from our third-party service providers or insurers.

Business Operational Risks

We will be reliant on effective payment processing services from a limited number of providers in each of the markets in which we operate.

The provision of convenient, trusted, fast and effective payment processing services to our customers and potential customers is critical to our business. If there is any deterioration in the quality of the payment processing services provided to these customers or any interruption to those services (including with respect to system intrusions, unauthorized access or manipulation), or if such services are only available at an increased cost to us or our customers or are terminated and no timely and comparable replacement services are found, our customers and potential customers may be deterred from using our products. In addition, our inability to secure payment processing services in markets into which we intend to expand may seriously impair our growth opportunities and strategies. Any of these occurrences may have a material adverse effect on our business, financial condition and results of operations.

Furthermore, a limited number of banks and credit card companies process online gambling related payments as a matter of internal policy and any capacity to accept such payments may be limited by the regulatory regime of a given jurisdiction. The introduction of legislation or regulations restricting financial transactions with online gambling operators, other prohibitions or restrictions on the use of credit cards and other banking instruments for online gambling transactions may restrict our ability to accept payments from our customers. These restrictions may be imposed as a result of concerns related to fraud, payment processing, AML or other issues related to the provision of online gambling services. A number of issuing banks or credit card companies may from time to time reject payments to us that are attempted to be made by our customers. Should such restrictions and rejections become more prevalent, or any other restriction on payment processing be introduced, gambling activity by our customers could be adversely affected, which in turn could have a material adverse effect on our business, financial condition and results of operations.

In addition, we are subject to the risk of credit card chargebacks, which may also result in possible penalties. A chargeback is a credit card originated deposit transaction to a player account with an operator that is later reversed or repudiated. The risk of such chargeback transactions is greater in respect of certain markets and certain payment methods. We recognize revenue upon the first loss of the player on amounts tendered, and any credit card chargebacks are then deducted from their revenues. Even though security measures are in place, high rates of credit card chargebacks could result in credit card associations levying additional costs and fines or withdrawing their service and could have a material adverse effect on our business, financial condition and results of operations.

Our VLTs and table games hold percentages may fluctuate.

The gaming industry is characterized by an element of chance and our casino guests' winnings depend on a variety of factors, some of which are beyond our control. In addition to the element of chance, hold percentages (the ratio of net win to total amount wagered) are affected by other factors, including players' skill and experience, the mix of games played, the financial resources of players, the volume of bets placed and the amount of time played. The variability of our hold percentages has the potential to adversely affect our business, financial condition and results of operations.

Our profitability will be dependent, in part, on return to players.

The revenue from certain of our gaming products depends on the outcome of random number generators built into the gaming software running the games made available to customers. Return to player is measured by dividing the amount of real money won by players on a particular game by the total real money wagers over a particular period on that game. An increasing return to player may negatively affect revenue as it represents a larger amount of money being won by players. Return to player is driven by the overall random number generator outcome, the mechanics of different games and jackpot winnings. Each game utilizes a random number generating engine; however, generally the return to player fluctuates in the short-term based on large wins or jackpots or a large share of wagers made for higher-payout games. To the extent we are unable to set, or fail to obtain, a favorable return to player in our (or a third-party supplier's) gambling software which maximizes revenue, it could have a material adverse effect on our business, financial condition and results of operations.

The success, including win or hold rates, of existing or future sports betting and iGaming products depends on a variety of factors and is not completely controlled by us.

The sports betting and iGaming industries are characterized by an element of chance. Accordingly, we employ theoretical win rates to estimate what a certain type of sports bet or iGame, on average, will win or lose in the long run. Net win is impacted by variations in the hold percentages, or actual outcomes, on our iGames and sports betting we offer to our users. We use the hold percentages as an indicator of an iGame's or sports bet's performance against its expected outcome. Although each iGame or sports bet generally performs within a defined statistical range of outcomes, actual outcomes may vary for any given period. In addition to the element of chance, win rates (hold percentages) may also (depending on the game involved) be affected by the spread of limits and factors that are beyond our control, such as a user's skill, experience and behavior, the mix of games played, the financial resources of users, the volume of bets placed and the amount of time spent gambling. As a result of the variability in these factors, the actual win rates on our online iGames and sports bets may differ from the theoretical win rates we have estimated and could result in the winnings of our iGame's or sports bet's users exceeding those anticipated. The variability of win rates (hold rates) also have the potential to negatively impact our financial condition, results of operations and cash flows.

Our success also depends in part on our ability to anticipate and satisfy user preferences in a timely manner. As we will operate in a dynamic environment characterized by rapidly changing industry and legal standards, our products will be subject to changing consumer preferences that cannot be predicted with certainty. We will need to continually introduce new offerings and identify future product offerings that complement our existing platforms, respond to our users' needs and improve and enhance our existing platforms to maintain or increase our user engagement and growth of our business. We may not be able to compete effectively unless our product selection keeps up with trends in the digital sports entertainment and gaming industries in which we compete, or trends in new gaming products.

We extend credit to a portion of our customers, and we may not be able to collect gaming receivables from our credit customers.

We conduct our gaming activities on a credit and cash basis at many of our properties. Any such credit we extend is unsecured. Table game players typically are extended more credit than slot players, and high-stakes players typically are extended more credit than customers who tend to wager lower amounts. High-end gaming is more volatile than other forms of gaming, and variances in win-loss results attributable to high-end gaming may have a significant positive or negative impact on cash flow and earnings in a particular period. We extend credit to those customers whose level of play and financial resources warrant, in the opinion of management, an extension of credit. These large receivables could have a significant impact on our results of operations if deemed uncollectible. Gaming debts evidenced by a credit instrument, including what is commonly referred to as a "marker," and judgments on gaming debts are enforceable under the current laws of the jurisdictions in which we allow play on a credit basis, and judgments on gaming debts in such jurisdictions are enforceable in all US states under the Full Faith and Credit Clause of the US Constitution; however, other jurisdictions may determine that enforcement of gaming debts is against public policy. Although courts of some foreign nations will enforce gaming debts directly and the assets in the US of foreign debtors may be reached to satisfy a judgment, judgments on gaming debts from US courts are not binding on the courts of many foreign nations.

Declining popularity of games and changes in device preferences of players could have a negative effect on our business.

Revenue from online games tends to decline over time after reaching a peak of popularity and player usage. The speed of this decline is referred to as the decay rate of a game. As a result of this natural decline in the life cycle of our products, our business depends on our ability and the ability of our third-party partners to consistently and timely launch new games across multiple platforms and devices that achieve significant popularity. Our ability to successfully launch, sustain and expand games as applicable, largely will depend on our ability to, amongst other things: (1) anticipate and effectively respond to changing game player interests and preferences; (2) anticipate or respond to changes in the competitive landscape; (3) develop, sustain and expand games that are fun, interesting and compelling to play; (4) minimize launch delays and cost overruns on new games; (5) minimize downtime and other technical difficulties; (6) acquire leading technology and high quality personnel; and (7) comply with constraints on game design and/or functionality imposed by regulators. There is a risk that we may not launch any new games according to schedule, or that those games do not attract and retain a significant number of players, which could have a negative effect on our business, financial condition and results of operations.

Furthermore, more individuals are using non-PC/laptop devices to access the internet and versions of our technology developed for these devices may not be widely adopted by users of such devices. If we are unable to attract and retain a substantial number of alternative device users to our gambling services or if we are slow to develop products and technologies that are more compatible with non-PC/laptop communications devices relative to our competitors, we may fail to capture a significant share of an increasingly important portion of the market for online gambling services.

In addition to offering popular new games, we must extend the life of the existing games which we make available to users, in particular the most successful games. While it is difficult to predict when revenues from any such existing games will begin to decline, for a game to remain popular, we must constantly enhance, expand or upgrade the relevant game with new features that players find attractive. There is a risk that we may not be successful in enhancing, expanding or upgrading our current games or any new games in the future and, in addition, regulators may introduce new rules that limit functionality within existing games. Should we not succeed in sufficiently offsetting the effects of declining popularity in the games we make available, this may have a material adverse effect on our business, financial condition and results of operations.

The casino, hotel and hospitality industry is capital intensive and we may not be able to finance development, expansion and renovation projects, which could put us at a competitive disadvantage.

Our casino and hotel properties have an ongoing need for renovations and other capital improvements to remain competitive, including room refurbishments, amenity upgrades and replacement, from time to time, of furniture, fixtures and equipment. We may also need to make capital expenditures to comply with applicable laws and regulations. Construction projects, such as our construction of the permanent casino in Chicago, entail significant risks, which can substantially increase costs or delay completion of a project. Such risks include shortages of materials or skilled labor, unforeseen engineering, environmental or geological problems, work stoppages, weather interference and unanticipated cost increases. Most of these factors are beyond our control. In addition, difficulties or delays in obtaining any of the requisite licenses, permits or authorizations from regulatory authorities can increase the cost or delay the completion of an expansion or development. Significant budget overruns or delays with respect to expansion and development projects could adversely affect our business and results of operations.

Renovations and other capital improvements of casino properties in particular require significant capital expenditures. In addition, any such renovations and capital improvements usually generate little or no cash flow until the projects are completed. We may not be able to fund such projects solely from cash provided from operating activities. Consequently, we may have to rely upon the availability of debt or equity capital to fund renovations and capital improvements, and our ability to carry them out will be limited if we cannot obtain satisfactory debt or equity financing, which will depend on, among other things, market conditions. We cannot assure you that we will be able to obtain additional equity or debt financing on favorable terms or at all. Our failure to renovate and maintain gaming and entertainment venues from time to time may put us at a competitive disadvantage to gaming and entertainment venues offering more modern and better maintained facilities, which could adversely affect our business, financial condition and results of operations.

We may invest in or acquire other businesses, and our business may suffer if we are unable to successfully integrate acquired businesses into our company or otherwise manage the growth associated with multiple acquisitions.

Our completed or any future acquisitions, may not enhance our financial performance. Our ability to achieve the expected benefits of any acquisitions will depend on, among other things, our ability to effectively translate our strategies into revenue, our ability to retain and assimilate the acquired businesses' employees, our ability to retain existing customers and suppliers on terms similar to, or better than, those in place with the acquired businesses, our ability to attract new customers, the adequacy of our implementation plans, our ability to maintain our financial and internal controls and systems as we expand our operations, the ability of our management to oversee and operate effectively the combined operations and our ability to achieve desired operating efficiencies and revenue goals. The integration of the businesses that we acquire might also cause us to incur costs that are unforeseen or that exceed our estimates, which would lower our future earnings and would prevent us from realizing the expected benefits of such acquisitions. In some cases, the services provided by the sellers are critical to the ongoing efficient operation of the properties and may involve costly payments from us to the provider of the services. If the provision of these services by the sellers is disrupted or given insufficient attention by the sellers, our ability to operate the properties may be negatively impacted until such time as we are able to take full control over the services. Moreover, we must pay the sellers for these services and the costs to us for these services may exceed our estimates and these expenses will negatively impact the results of operations of these properties during these transition periods. Failure to achieve the anticipated benefits of these acquisitions could result in decreases in the amount of expected revenues and diversion of management's time and energy and could adversely affect our business, financial condition and operating results including, ultimately, a reduction in our stock price.

We face risks associated with growth and acquisitions.

As part of our business strategy, we regularly evaluate opportunities for growth through development of gaming operations in existing or new markets, through acquiring other gaming entertainment facilities or through redeveloping our existing gaming facilities. In the future, we may also pursue expansion opportunities, including joint ventures or partnerships, in jurisdictions where casino gaming is not currently permitted in order to be prepared to develop projects upon approval of casino gaming.

Although we only intend to engage in acquisitions that, if consummated, will be accretive to us and our shareholders, acquisitions require significant management attention and resources to integrate new properties, businesses and operations. Our ability to realize the anticipated benefits of acquisitions will depend, in part, on our ability to integrate the acquired businesses with our businesses. The combination of two independent companies is a complex, costly and time-consuming process. This process may disrupt the business of either or both of the companies and may not result in the full benefits expected. Potential difficulties we may encounter as part of the integration process that may negatively impact our earnings or otherwise adversely affect our business and financial results include, among other things, the following:

- the inability to successfully incorporate acquired assets in a manner that permits us to achieve the full revenue increases, cost reductions and other benefits anticipated to result from any acquisitions;
- complexities associated with managing the combined business, including difficulty addressing possible differences in cultures and management philosophies and the challenge of integrating complex systems, technology, networks and other assets of each of the companies in a seamless manner that minimizes any adverse impact on customers, suppliers, employees and other constituencies;
- the disruption of, or the loss of momentum in, each of our ongoing businesses;
- inconsistencies in standards, controls, procedures and policies; and
- potential unknown liabilities and unforeseen increased expenses associated with acquisitions.

Additionally, even if integration is successful, the overall integration of acquired assets and businesses may result in material unanticipated problems, expenses, liabilities, competitive responses, loss of customer and other business relationships and diversion of management attention. There is also no guarantee that the acquired assets or businesses will generate any of the projected synergies and earnings growth, and the failure to realize such projected synergies and earnings growth may adversely affect our operating and financial results and derail any growth plans.

There can be no assurance that we will be able to identify, acquire, develop or profitably manage additional companies or operations or successfully integrate such companies or operations into our existing operations without substantial costs, delays or other problems. Additionally, there can be no assurance that we will receive gaming or other necessary licenses or approvals for new projects that we may pursue or that gaming will be approved in jurisdictions where it is not currently approved.

Ballot measures or other voter-approved initiatives to allow gaming in jurisdictions where gaming, or certain types of gaming (such as slots and sports wagering), was not previously permitted could be challenged, and, if such challenges are successful, these ballot measures or initiatives could be invalidated. Furthermore, there can be no assurance that there will not be similar or other challenges to legalized gaming in existing or current markets in which we may operate or have development plans, and successful challenges to legalized gaming could require us to abandon or substantially curtail our operations or development plans in those locations, which could have a material adverse effect on our financial condition and results of operations.

There can be no assurance that we will not face similar challenges and difficulties with respect to new development projects, such as the permanent casino project in Chicago, or expansion efforts that we may undertake, which could result in significant sunk costs that we may not be able to fully recoup or that otherwise have a material adverse effect on our financial condition and results of operations. We may not be able to obtain additional financing on acceptable terms or at all. To the extent that we seek to acquire other businesses in exchange for our common stock, fluctuations in our stock price could adversely affect our ability to complete acquisitions.

We may not realize the anticipated benefits of existing or pending strategic alliances, joint ventures, acquisitions, divestitures or new business strategies.

We have invested in, formed strategic alliances with and announced proposed joint ventures with other companies, such as the RI Joint Venture, and we may expand those relationships or enter into similar relationships with additional companies which may require various state approvals which may or may not be granted. These initiatives are typically complex, and we may not be able to complete anticipated alliance or joint venture transactions, the anticipated benefits of these transactions may not be realized or the benefits may be delayed. For example, we may not successfully integrate an alliance or joint venture with our operations, including the implementation of our controls, systems, procedures and policies, or unforeseen expenses or liabilities may arise that were not discovered during due diligence prior to an investment or entry into a strategic alliance, or a misalignment of interests may develop between us and the other party. Further, to the extent we share ownership, control or management with another party in a joint venture, our ability to influence such joint venture may be limited, and we may be unable to prevent misconduct or implement our compliance or internal control systems. In addition, implementation of a new business strategy may lead to the disruption of our existing business operations, including distracting management from current operations. Results of operations from new activities may be lower than our existing activities, and, if a strategy is unsuccessful, we may not recoup our investments in that strategy. Failure to successfully and timely realize the anticipated benefits of these transactions or strategies could have an adverse effect on our financial condition or results of operations.

Following the merger with Queen, there can be no assurance that Bally's will be able to successfully integrate Queen or otherwise realize any expected benefits of the merger transactions.

The integration of the two companies may result in material challenges, including the diversion of management's attention from ongoing business concerns; retaining key management and other employees; retaining or attracting business and operational relationships; faulty assumptions underlying expectations regarding the integration process and associated expenses; consolidating corporate and administrative infrastructures and eliminating duplicative operations; coordinating geographically separate organizations; unanticipated issues in integrating information technology, communications and other systems; as well as potential unknown liabilities, unforeseen expenses relating to integration, or delays associated with the merger transactions. Accordingly, the future operating results, cash flows and financial condition of the surviving corporation will be affected by its ability to manage changing business conditions and to implement and adapt its financial controls and reporting systems in response to the merger transactions.

Our business depends, in part, on strategic relationships with third parties. Overreliance on certain third parties or our inability to extend existing relationships or agree to new relationships may cause unanticipated costs for us and impact our financial performance in the future.

We have entered into strategic partnerships with Sinclair Broadcast Group, Inc. ("Sinclair"), the National Hockey League, MLB Professional Development Leagues, LLC, among others, and may enter into relationships with advertisers, casinos and other third parties in order to attract users to our platform. These relationships along with providers of online services, search engines, social media, directories and other websites and e-commerce businesses direct consumers to our platform. In addition, parties with whom we have advertising arrangements provide advertising services to other companies, including other fantasy sports and gaming platforms with which we compete. While we believe there are other third parties that could drive users to our platform, adding or transitioning to them may disrupt our business and increase our costs. In the event that any of our existing relationships or our future relationships fails to provide services to us in accordance with the terms of our arrangement, or at all, and we are not able to find suitable alternatives, this could impact our ability to attract consumers cost effectively and harm our business, financial condition and results of operations.

Our branded sites are heavily reliant on well-known brands owned by third parties.

We operate certain branded sites, including sites branded as Virgin Games, Double Bubble Bingo and Monopoly Casino. All such branded sites operated by us are reliant on the use of highly trusted and recognizable brands which are owned by third parties (the "Third Party Brands"). We operate the Third Party Brands pursuant to brand licensing arrangements with the relevant third party brand owner (the "Brand Owner"). We are contractually required to operate such branded sites in accordance with those brand licensing arrangements, and any material breach of those requirements may expose us to claims for breach of contract and/or may lead to the Brand Owner terminating or failing to renew the brand licensing arrangements. We own the player data in respect of such branded sites, and in the event that the brand licensing arrangements for any of such branded sites were to be terminated early or not renewed, then we would seek to migrate those players to a different gaming site operated by us. However, there is a risk that any replacement branded site offered by us may not successfully retain those players, and if we lose the right to use any of the Third Party Brands, our business, financial condition and results of operations may be materially adversely affected.

We are exposed to the risk that the reputation of the Third Party Brands may be adversely affected by the activities of third parties over whom we have no control. For example, we operate the Virgin Games site. The Virgin brand is used by a wide range of businesses. In the event that the reputation of the Virgin brand was to be adversely affected due to the actions of third parties, that may affect our business prospects.

Our online business model depends upon the continued compatibility between our apps and the major mobile operating systems and upon third-party platforms for the distribution of our product offerings, which depend on factors beyond our control such as the design of third-party operating systems and continued access to our apps on third-party distribution platforms like the Apple App Store.

Our digital business is dependent on the interoperability of our technology with popular mobile operating systems, technologies, networks and standards as our users access our online betting and gaming product offerings primarily on mobile devices. As a result, our business model depends upon the continued compatibility between our app and the major mobile operating systems, such as the Android and iOS operating systems, and we rely upon third-party platforms for distribution of our product offerings. We do not have formal or informal relationships with parties that control design of mobile devices and operating systems and there is no guarantee that popular mobile devices will start or continue to support or feature our product offerings. Any changes, bugs, technical or regulatory issues in such operating systems, our relationships with mobile manufacturers and carriers, or in their terms of service or policies that degrade our offerings' functionality, reduce or eliminate our ability to distribute our offerings, give preferential treatment to competitive products, limit our ability to deliver high quality offerings, or impose fees or other charges related to delivering our offerings, could adversely affect our product usage and monetization on mobile devices. In addition, if any of the third-party platforms used for distribution of our product offerings were to limit or disable the availability of our app or advertising on their platforms, our ability to generate revenue could be harmed. These changes could materially impact the way we do business, and if we are unable to adjust to those changes quickly and effectively, there could be an adverse effect on our business, financial condition, results of operations and prospects.

A portion of our casinos are located on leased property. If we default on one or more leases, the applicable lessors could terminate the affected leases and we could lose possession of the affected casino.

We currently lease certain real property interests underlying several of our Casino properties. Our leases provide that they may be terminated for a number of reasons, including failure to pay rent, taxes or other payment obligations or the breach of other covenants contained in the leases. Our leases with GLPI require annual rent payments of $173.8 million in 2025, which is subject to escalation annually, and in some instances, obligate us to make specified minimum capital expenditures with respect to the leased properties. If our business and properties fail to generate sufficient earnings, the payments required to service the rent obligations under our leases with GLPI could materially and adversely limit our ability to react to changes in our business and make acquisitions and investments in our properties. Regarding our ground leases, we have the right to use the leased land; however, we do not hold fee ownership of the underlying land. Accordingly, we have no interest in the leased land or improvements thereon at the expiration of the ground leases. If our use of the land underlying our casino properties is disrupted permanently or for a significant period of time, then the value of our assets could be impaired and our business and operations could be adversely affected. If we were to default on any one or more of these leases, the applicable lessors could terminate the affected leases and we could lose possession of the affected land and any improvements on the land, including the hotels and casinos. Further, in the event that any lessor of our leased properties, including GLPI, encounters financial, operational, regulatory or other challenges, there can be no assurance that such lessor will be able to comply with its obligations under the applicable lease.

We entered into a lease with GLPI and could experience risks associated with the leased property, including risks relating to lease termination, inability to obtain a satisfactory lease extension, consents and approvals, charges and our relationship with the landlord, which could have a material adverse effect on our business, financial position or results of operations.

On July 11, 2024, we entered into the a term sheet with GLPI (the "GLPI Term Sheet") for a strategic construction and financing arrangement, including up to $940.0 million of funding for the construction of our permanent resort and casino in Chicago, Illinois. In connection therewith, GLPI entered into an agreement with our landlord, an affiliate of Oak Street Real Estate Capital ("Oak Street"), to acquire the fee interest in the property on which we plan to develop our permanent Chicago resort and casino. Upon the closing of such acquisition, our ground lease with Oak Street was terminated, and we entered into a First Amendment to Ground Lease with GLPI to reflect certain provisions of the GLPI Term Sheet. The GLPI Term Sheet further provides that we will enter into (a) a new ground lease with GLPI (the "Chicago MLA") to lease such property and (b) a development agreement with GLPI (the "GLPI Development Agreement") pursuant to which GLPI will commit to advance up to $940 million (the "GLPI Development Advances") for the payment of hard costs used to construct our permanent Chicago resort and casino in exchange for increasing the amount of rent that we pay to GLPI under the Chicago MLA. The Chicago MLA will have a 15-year term followed by multiple renewal terms to be agreed between us and GLPI, and rent payable under the Chicago MLA will be (a) $20.0 million annually, subject to annual escalations to be set forth therein, plus (b) an annual amount equal to 8.5% of the GLPI Development Advances that GLPI advances to us. In addition, we agreed in the GLPI Term Sheet to sell and lease back its real property interests underlying Bally's Kansas City and Bally's Shreveport pursuant to a new Master Lease Agreement ("Master Lease No.2") and a new contribution agreement, which transactions closed on December 16, 2024. The GLPI Term Sheet further provides that we will amend our existing contribution agreement with GLP with respect to Bally's Twin River pursuant to which the Company (or its applicable subsidiary) will sell the underlying real property to GLP and add the Bally's Twin River property to Master Lease No.2.

The terms and conditions of Master Lease No.2 are substantially the same as that certain Master Lease, dated June 3, 2021 ("Master Lease No.1" and, together with Master Lease No.2, the "Bally's Master Lease Agreements"), by and between Bally's Management Group, LLC, an affiliate of the Company, and GLPI, except as modified by the terms set forth in the GLPI Term Sheet. GLPI will have the right to terminate the Chicago MLA upon any event of default under the Chicago MLA. Such events of default are expected to include, without limitation, a failure to pay amounts due after applicable notice and cure periods, certain bankruptcy or insolvency events, a cross-default with the GLPI Development Agreement and the failure to comply with a variety of covenants after applicable notice and cure periods, including those related to the development of our permanent resort and casino, repair and maintenance, alterations and insurance. In addition, the Chicago MLA will be amended to add a cross-default to the Bally's Master Lease Agreements upon any refinancing, extension or majority amendment of Bally's existing credit facilities.

There will also be certain restrictions on our ability to assign our interest in the Chicago MLA without having to obtain GLPI's prior consent, including requirements for the transferee (or its parent company) to satisfy certain financial metrics and have a certain level of experience in operating or managing casinos.

GLPI's obligation to make GLPI Development Advances under the GLPI Development Agreement will be subject to certain conditions, including the following: (a) we will have invested at least $560 million of equity into the development and construction of our permanent resort and casino since inception, (b) we will have unrestricted access to funds in an amount sufficient at the time of each GLPI Development Advance to complete the construction of our permanent resort and casino, (c) we will have assigned to GLPI and subleased back our interest in the Medinah lease agreement, and (d) all of the definitive documents required by the GLPI Term Sheet will have been signed, or, if such definitive documents cannot be signed without regulatory approval required under applicable law and such regulatory approval is the sole condition precedent to the signing of such definitive documents, such definitive documents are in final form and have been submitted for regulatory approval. We will be obligated to construct and complete our permanent resort and casino in compliance with terms and conditions to be set forth in the GLPI Development Agreement, which are expected to be customary and reasonable for large scale multi-phase developments and are expected to include the satisfaction of to-be-specified development and construction milestones.

The GLPI Development Agreement will contain customary representations and covenants by us and will contain funding conditions in each case which are customary and reasonable for large scale multi-phase developments, including, without limitation, (a) GLPI's reasonable approval of plans and specifications, the project budget (including amendments thereto and reallocations therein except those to be permitted under the GLP Development Agreement), the project schedule, the underlying construction and architect contracts, and all change orders (subject to exceptions to be set forth in the GLPI Development Agreement), (b) GLPI's receipt of appropriate lien waivers, (c) budget balancing requirements, (d) retainage requirements, (e) the identification of a GLPI representative as "owners representative" under the construction contract, and (f) other customary conditions, all to be set forth in the GLPI Development Agreement. The GLPI Development Agreement will also contain defaults and remedies which are customary and reasonable for large scale multi-phase developments, including, without limitation, a cross-default with the Chicago MLA. We will not be permitted to assign, finance, transfer, pledge or encumber our interest in the GLP Development Agreement without GLPI's prior written consent, whether or not any such assignment, financing, transfer, pledge or encumbrance is permitted with respect to the GLPI Lease Agreement, other than to a permitted leasehold mortgagee under the Chicago MLA.

Termination of any or all of the casino lease agreements (including as a result of a default under the GLPI Development Agreement) would result in us losing some or all of our rights with respect to the applicable properties, could result in a default under the Host Community Agreement, and could have a material adverse effect on our business, financial position or results of operations. In the event of a termination of any of the casino lease agreements (including as a result of a default under the GLPI Development Agreement), we may be required to transfer all personal property located at the applicable property to a designated successor, and we may not be adequately compensated for that personal property. Moreover, since as a lessee we do not completely control the land and improvements underlying our operations, the lessors could take certain actions to disrupt our rights in the properties leased under the casino lease agreements, which are beyond our control. If the lessors chose to disrupt our use either permanently or for a significant period of time, then the value of our assets could be impaired and our business and operations could be adversely affected. There can also be no assurance that we will be able to comply with our obligations under the casino lease agreements (including our obligations under the GLPI Development Agreement) in the future. In addition, if the lessors have financial, operational, regulatory or other challenges, there can be no assurance that the lessors will be able to comply with their obligations under the casino lease Agreements, including their obligations to provide us financing for the construction of our permanent resort and casino in Chicago.

We rely on other third-party sports data providers for real-time and accurate data for sporting events, and if such third parties do not perform adequately or terminate their relationships with us, our costs may increase and our business, financial condition and results of operations could be adversely affected.

We rely on third-party sports data providers to obtain accurate information regarding schedules, results, performance and outcomes of sporting events. We rely on this data to determine when and how sports bets are settled. We have experienced, and may continue to experience, errors in this data feed which may result in us incorrectly settling bets. If we cannot adequately resolve the issue with our users, our users may have a negative experience with our offerings, our brand or reputation may be negatively affected and our users may be less inclined to continue or resume utilizing our products or recommend our offerings to other potential users. As such, a failure or significant interruption in our service may harm our reputation, business and operating results.

Furthermore, if any of our sports data partners terminates its relationship with us or refuses to renew its agreement with us on commercially reasonable terms, we would need to find an alternate provider, and may not be able to secure similar terms or replace such providers in an acceptable time frame. Any of these risks could increase our costs and adversely affect our business, financial condition and results of operations. Further, any negative publicity related to any of our third-party partners, including any publicity related to regulatory concerns, could adversely affect our reputation and brand, and could potentially lead to increased regulatory or litigation exposure.

Our management identified a material weakness in our internal control over financial reporting which could, if not remediated, result in material misstatements in our consolidated financial statements.

Our management is responsible for establishing and maintaining adequate internal controls over our financial reporting, as such term is defined in Rule 13a-15(f) under the Exchange Act. As disclosed in this report, we evaluated the effectiveness of our internal control over financial reporting and identified a material weakness as of December 31, 2024 relating to the lack of segregation of duties over the preparation, review, and recording of journal entries within our International Interactive reportable segment.

A material weakness is defined as a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. If not remediated, the material weaknesses identified above could result in material misstatements in our consolidated financial statements.

We conduct our business in an industry that is subject to high taxes and may be subject to higher taxes in the future.

In gaming jurisdictions in which we conduct our business, with the exception of Rhode Island, state and local governments raise considerable revenues from taxes based on casino revenues and operations. In Rhode Island, the state takes all of the gaming win that comes into our Rhode Island operations and then pays us a percentage of the gaming win. We also pay property taxes, occupancy taxes, sales and use taxes, payroll taxes, franchise taxes and income taxes. Our profitability will depend on generating enough revenues to cover variable expenses, such as payroll and marketing, as well as largely fixed expenses, such as property taxes and interest expense. From time to time, state and local governments have increased gaming taxes and such increases could significantly impact the profitability of our gaming operations.

Our operations in other states are generally subject to significant revenue-based taxes and fees in addition to normal federal, state and local income taxes, and such taxes and fees are subject to increase at any time. In addition, from time to time, federal, state and local legislators and officials have proposed changes in tax laws, or in the administration of such laws, affecting the gaming industry. Further, worsening economic conditions could intensify the efforts of applicable state and local governments to raise revenues through increases in gaming taxes and/or property taxes. It is not possible to determine with certainty the likelihood of changes in tax laws in these jurisdictions or in the administration of such laws. Such changes, if adopted, could adversely affect our business, financial condition and results of operations. The large number of state and local governments with significant current or projected budget deficits makes it more likely that those governments that currently permit gaming will seek to fund such deficits with new or increased gaming taxes and/or property taxes and worsening economic conditions could intensify those efforts. Any material increase, or the adoption of additional taxes or fees, could adversely affect our future financial results.

There can be no assurance that governments in jurisdictions in which we conduct our business, or the federal government, will not enact legislation that increases gaming tax rates. General economic pressures have the potential to reduce revenues of state governments from traditional tax sources, which may cause state legislatures or the federal government to be more inclined to increase gaming tax rates.

New and future changes to US and non-US tax laws could adversely affect our business.

The US Congress, the Organization for Economic Co-operation and Development (the "OECD") and other government agencies in jurisdictions where Bally's and its affiliates do business have had an extended focus on issues related to the taxation of multinational corporations. One example is in the area of "base erosion and profit shifting," including the OECD's "Pillar Two" framework, which, among other changes, would generally provide for an effective global minimum corporate tax rate of 15% on profits generated by certain multinational companies. This minimum tax would be applied to profits in any jurisdiction where the effective tax rate, determined on a country-by-country basis and applying certain agreed-upon conventions, is below 15%. The OECD and its members are undertaking the coordinated implementation of the minimum tax. Although this initiative is subject to further developments in the countries where Bally's and its affiliates do business, it is already in force or is expected to be in force in various jurisdictions, including the UK and the EU. We are continuing to evaluate the Pillar Two framework and related legislation and the potential impact on our business. The adoption of the Pillar Two framework by countries in which Bally's and its affiliates do business could adversely affect Bally's and its affiliates' effective tax rate and increase tax complexity and uncertainty. Furthermore, as a result of the Pillar Two framework or other tax initiatives, the tax laws in the US, the UK and other countries in which Bally's and its affiliates do business could change on a prospective or retroactive basis, and any such changes could adversely affect Bally's and its affiliates.

In addition, the US government may enact significant changes to the taxation of business entities including, among others, an increase in the corporate income tax rate, an increase in the tax rate applicable to global intangible low-taxed income, the elimination of certain tax exemptions and the imposition of further minimum taxes or surtaxes on certain types of income. Although a range of US tax legislation has been proposed, the likelihood of these changes being enacted or implemented is unclear. We are currently unable to predict whether such changes will occur and, if so, the ultimate impact on our business.

If we fail to detect fraud, theft or cheating, including by our customers and employees, our reputation may suffer which could harm our brand and reputation and negatively impact our business, financial condition and results of operations and can subject us to investigations and litigation.

We have in the past incurred, and may in the future incur, losses from various types of financial fraud, including use of stolen or fraudulent credit card data, claims of unauthorized payments by a user and attempted payments by users with insufficient funds. Bad actors use increasingly sophisticated methods to engage in illegal activities involving personal information, such as unauthorized use of another person's identity, account information or payment information and unauthorized acquisition or use of credit or debit card details, bank account information and mobile phone numbers and accounts. Under current credit card practices, we may be liable for use of funds on our platform with fraudulent credit card data, even if the associated financial institution approved the credit card transaction.

Acts of fraud may involve various tactics, including collusion. Successful exploitation of our systems could have negative effects on our product offerings, services and user experience and could harm our reputation. Failure to discover such acts or schemes in a timely manner could result in harm to our operations. In addition, negative publicity related to such schemes could have an adverse effect on our reputation, potentially causing a material adverse effect on our business, financial condition and results of operations. In the event of the occurrence of any such issues with our existing platform or product offerings, substantial engineering and marketing resources and management attention, may be diverted from other projects to correct these issues, which may delay other projects and the achievement of our strategic objectives.

In addition, any misappropriation of, or access to, users' or other proprietary information or other breach of our information security could result in legal claims or legal proceedings, including regulatory investigations and actions, or liability for failure to comply with privacy and information security laws, including for failure to protect personal information or for misusing personal information, which could disrupt our operations, force us to modify our business practices, damage our reputation and expose us to claims from our users, regulators, employees and other persons, any of which could have an adverse effect on our business, financial condition and results of operations.

Despite measures we have taken to detect and reduce the occurrence of fraudulent or other malicious activity on our platform, we cannot guarantee that any of our measures will be effective or will scale efficiently with our business. Our failure to adequately detect or prevent fraudulent transactions could harm our reputation or brand, result in litigation or regulatory action and lead to expenses that could adversely affect our business, financial condition and results of operations.

We are largely dependent on the skill and experience of management and key personnel.

We expect to experience strong competition in hiring and retaining qualified property and corporate management personnel, including competition from Native American gaming facilities that are not subject to the same taxation regimes as we are and, therefore, may be willing and able to pay higher rates of compensation. From time to time, a number of vacancies in key corporate and property management positions can be expected. If we are unable to successfully recruit and retain qualified management personnel at our facilities or at the corporate level, our results of operations could be adversely affected.

In addition, our officers, directors and key employees are required to file applications with the gaming authorities in each of the jurisdictions in which we conduct our business and are required to be licensed or found suitable by these gaming authorities. If the gaming authorities were to find an officer, director or key employee unsuitable for licensing or unsuitable to continue having a relationship with us, we would have to sever all relationships with that person. Furthermore, the gaming authorities may require us to terminate the employment of any person who refuses to file appropriate applications. Either result could significantly impair our operations. The time and effort needed to successfully complete the application process could impact our ability to attract, hire and retain top talent.

We are subject to risks associated with labor relations, labor costs and labor disruptions.

We are subject to the costs and risks generally associated with labor disputes and organizing activities related to unionized labor. From time to time, our operations may be disrupted by strikes, public demonstrations or other coordinated actions and publicity. We may incur increased legal costs and indirect labor costs as a result of contractual disputes, negotiations or other labor-related disruptions.

A large number of our employees at our Casinos & Resorts properties within several US states are represented by a labor union and are subject to collective bargaining agreements with us. As of December 31, 2024, we had 32 collective bargaining agreements covering 3,442 employees. Our collective bargaining agreements generally have three-or-five-year terms. There can be no assurance that we will be able to extend or enter into replacement agreements. If we are able to extend or enter into replacement agreements, there can be no assurance as to whether the terms will be on comparable terms to the existing agreements. We may also face organizing activities that could result in additional employees becoming unionized. Furthermore, labor regulation and the negotiation of new or existing collective bargaining agreements could lead to higher wage and benefit costs, changes in work rules that raise operating expenses and legal costs thereby affecting our profitability or interfering with the ability of our management to focus on executing our business strategies, and could impose limitations on our ability to reduce the size of our workforce during an economic downturn, which could put us at a competitive disadvantage.

Our obligation to fund multi-employer defined benefit pension plans to which we are a party may adversely affect us.

We must contribute to a number of multi-employer defined benefit pension plans under the terms of collective-bargaining agreements that cover certain union-represented employees. The risks of participating in these multi-employer plans are different from single-employer plans in the following aspects:

- assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers;
- if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; and
- if we choose to stop participating in some of our multi-employer plans, we may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

In addition, the funding obligations for our pension plans will be impacted by the performance of the financial markets, particularly the equity markets and interest rates. Funding obligations are determined by government regulations and are measured each year based on the value of assets and liabilities on a specific date. If the financial markets do not provide the long-term returns that are expected, we could be required to make larger contributions. The equity markets can be very volatile, and, therefore, our estimate of future contribution requirements can change dramatically in relatively short periods of time. Similarly, changes in interest rates and legislation enacted by governmental authorities can impact the timing and amounts of contribution requirements. An adverse change in the funded status of the plans could significantly increase our required contributions in the future and adversely impact our liquidity.

We may incur impairments to goodwill, indefinite-lived intangible assets or long-lived assets.

We monitor the recoverability of our long-lived assets, such as buildings, and evaluate their carrying value for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. We annually review goodwill to determine if impairment has occurred. Additionally, interim reviews are performed whenever events or changes in circumstances indicate that impairment may have occurred. If the testing performed indicates that impairment has occurred, we are required to record a non-cash impairment charge for the difference between the carrying value and fair value of the long-lived assets or the carrying value and fair value of the reporting unit, in the period the determination is made. The testing of long-lived assets and goodwill for impairment requires us to make estimates that are subject to significant assumptions about our future revenue, profitability, cash flows, fair value of assets and liabilities, weighted average cost of capital, as well as other assumptions. Changes in these estimates, or changes in actual performance compared with these estimates, may affect the fair value of long-lived assets or reporting unit, which may result in an impairment charge.

We cannot accurately predict the amount or timing of any impairment of assets. Should the value of long-lived assets or goodwill become impaired, our financial condition and results of operations may be adversely affected.

Our operations have historically been subject to seasonal variations and quarterly fluctuations in operating results, and we can expect to experience such variations and fluctuations in the future.

Casino, hotel and racing operations in our markets are subject to seasonal variation. Seasonal weather conditions can frequently adversely affect transportation routes to each of our properties and may cause snowfall, flooding and other effects that result in the closure of our properties. In addition, our sports betting business may experience seasonality based on the relative popularity of certain sports at different parts of the year. As a result, unfavorable seasonal conditions could have a material adverse effect on our business, financial condition and results of operations.

Our business is particularly sensitive to energy prices and a rise in energy prices could harm our operating results.

We are a large consumer of electricity and other energy and, therefore, higher energy prices may have an adverse effect on our results of operations. Accordingly, increases in energy costs may have a negative impact on our operating results. Additionally, higher electricity and gasoline prices that affect our customers may result in reduced visitation to our properties and a reduction in our revenues. We may be indirectly impacted by regulatory requirements aimed at reducing the impacts of climate change directed at up-stream utility providers, as we could experience potentially higher utility, fuel and transportation costs.

Expectations relating to environmental, social and governance considerations expose us to potential liabilities, reputational harm and other unforeseen adverse effects on our business.

Many governments, regulators, investors, employees, customers and other stakeholders are increasingly focused on environmental, social and governance and sustainability considerations relating to businesses, including climate change and greenhouse gas emissions, data privacy, artificial intelligence, human capital and diversity, equity and inclusion. We make statements about goals and initiatives through information provided on our website, press statements and other communications. Responding to these considerations and implementation of these goals and initiatives involves risks and uncertainties and requires ongoing investments. The success of our goals and initiatives may be impacted by factors that are outside our control. In addition, some stakeholders may disagree with our goals and initiatives and the focus and views of stakeholders may change and evolve over time and vary depending on the jurisdictions in which we operate. Any failure, or perceived failure, by us to achieve our goals, further our initiatives, adhere to our public statements, comply with federal, state or international environmental, social and governance laws and regulations, or meet evolving and varied stakeholder expectations and views could materially adversely affect our business, financial condition and results of operations.

Our insurance and self-insurance programs may not be adequate to cover future claims.

Although we maintain insurance that we believe is customary and appropriate for our business, we cannot assure that such insurance programs will be available or adequate to cover all losses and damage to which our business or our assets might be subjected. We use a combination of insurance and self-insurance to provide for potential liabilities, including employee healthcare benefits, up to certain stop-loss amounts which limit our exposure above the amounts we have self-insured. We estimate the liabilities and required reserves associated with the risks we retain. Any such estimates and actuarial projection of losses is subject to a considerable degree of variability. If actual losses incurred are greater than those anticipated, our reserves may be insufficient and additional costs could be recorded in our consolidated financial statements. If we suffer a substantial loss that exceeds our self-insurance reserves, and any excess insurance coverage, the loss and attendant expenses could harm our business, financial condition or results of operations. The lack of adequate insurance for certain types or levels of risk could expose us to significant losses in the event that a catastrophe occurred for which we are uninsured or underinsured. Any losses we incur that are not adequately covered by insurance may decrease our future operating income, require us to find replacements or repairs for destroyed property and reduce the funds available for payments of our obligations. We renew our insurance policies on an annual basis. The cost of coverage may become so high that we may need to further reduce our policy limits, further increase our deductibles or agree to certain exclusions from our coverage.

Our results of operations and financial condition could be adversely affected by the occurrence of natural disasters, such as hurricanes, or other catastrophic events, including war, terrorism and public health crises such as the COVID-19 pandemic. In addition, results could be adversely impacted by other events beyond our control, including travel disruptions.

Natural disasters, such as major hurricanes, typhoons, tornados, floods, fires and earthquakes, could adversely affect our business and operating results. Hurricanes are common in the areas in which our Mississippi and Louisiana properties are located, and the severity of such natural disasters is unpredictable.

Catastrophic events, such as terrorist attacks and global and regional conflicts (e.g., the war in Ukraine and conflict in the Middle East), have had a negative effect on travel and leisure expenditures, including lodging, gaming (in some jurisdictions) and tourism. We cannot accurately predict the extent to which such events may affect us, directly or indirectly, in the future.

Public health crises may also significantly impact our business. For example, the global spread of the COVID-19 pandemic, which began in early 2020, resulted in governments, public institutions and other organizations imposing or recommending, and businesses and individuals implementing, restrictions on various activities or other actions to combat its spread, such as restrictions and bans on travel or transportation, stay-at-home directives, requirements that individuals wear masks or other face coverings, limitations on the size of gatherings, closures of work facilities, schools, public buildings and businesses, cancellation of events, including sporting events, concerts, conferences and meetings and quarantines and lock-downs. The pandemic and its consequences dramatically reduced travel and demand for hotel rooms and other casino resort amenities, which had a negative impact on our results in 2020 and 2021. There are no assurances that a resurgence of future COVID-19 variants or future pandemics will not cause similar disruptions that existed in 2020 and 2021.

In addition, other events beyond our control, such as travel disruptions impacting the ability of people to travel to our casino properties, could impact our business. For example, the closure of Washington Bridge in Rhode Island has impacted foot traffic at our Rhode Island properties, particularly Bally's Twin River.

There can be no assurance that we will be able to obtain or choose to purchase any insurance coverage with respect to occurrences of catastrophic events, such as those described above. If there is a prolonged disruption at our facilities due to natural disasters, terrorist attacks, wars, public health crises or other catastrophic events, our results of operations and financial condition would be adversely affected.

Cybersecurity and Technology Risks

We rely on information technology and other systems and platforms, and any failures, errors, defects or disruptions in our systems or platforms could diminish our brand and reputation, subject us to liability, disrupt our business, affect our ability to scale our technical infrastructure and adversely affect our operating results and growth prospects.

We engage a number of third parties to provide gaming operating systems for the facilities we own. As a result, we rely on such third parties to provide uninterrupted services in order to run our business efficiently and effectively. In the event one of these third parties experiences a disruption in its ability to provide such services (whether due to technological or financial difficulties or power problems), this may result in a material disruption to the wagering activity at the casinos which we own and have a material adverse effect on our business, operating results and financial condition.

If our user base and engagement continue to grow, and the amount and types of offerings continue to grow and evolve, we will need an increasing amount of technical infrastructure, including network capacity and computing power, to continue to satisfy our users' needs. Such infrastructure expansion may be complex, and unanticipated delays in completing these projects or availability of components may lead to increased project costs, operational inefficiencies or interruptions in the delivery or degradation of the quality of our offerings. In addition, there may be issues related to this infrastructure that are not identified during the testing phases of design and implementation, which may only become evident after we have started to fully use the underlying equipment or software, that could further degrade the user experience or increase our costs. As such, we could fail to continue to effectively scale and grow our technical infrastructure to accommodate increased demands. In addition, our business may be subject to interruptions, delays or failures resulting from adverse weather conditions, other natural disasters, power loss, terrorism, cyber-attacks, public health emergencies (such as the coronavirus) or other catastrophic events. Any unscheduled interruption in our technology services is likely to result in an immediate, and possibly substantial, loss of revenues due to a shutdown of our gaming operations, cloud computing and lottery systems.

We believe that if our users have a negative experience with our offerings, or if our brand or reputation is negatively affected, users may be less inclined to continue or resume utilizing our products or recommend our platform to other potential users. As such, a failure or significant interruption in our service would harm our reputation, business and operating results.

We are reliant on the reliability and viability of internet infrastructure, which is out of our control, and the proper functioning of our own network systems.

The growth of internet usage has caused interruptions and delays in processing and transmitting data over the internet. There can be no assurance that internet infrastructure or our own network systems will continue to be able to support the demands placed on them by the continued growth of the internet, the overall online gambling industry or that of our customers. The internet's viability could be affected by delays in the development or adoption of new standards and protocols to handle increased levels of internet activity or by increased government regulation. The introduction of legislation or regulations requiring internet service providers in any jurisdiction to block access to our websites and products may restrict the ability of our customers to access products and services offered by us. Such restrictions, should they be imposed, could have a material adverse effect on our business, financial condition and results of operations.

If critical issues concerning the commercial use of the internet are not favorably resolved (including security, reliability, cost, ease of use, accessibility and quality of service), if the necessary infrastructure is not sufficient or if other technologies and technological devices eclipse the internet as a viable channel, this may negatively affect internet usage, and our business, financial condition and results of operations will be materially adversely affected. Additionally, the increasing presence of viruses and cyber-attacks may affect the viability and infrastructure of the internet and/or the proper functioning of our network systems and could materially adversely affect our business, financial condition and results of operations.

Our business may be harmed from cybersecurity incidents and we may be subject to legal claims if there is loss, disclosure or misappropriation of or access to our customers', business partners' or our own information or other breaches of information security.

We make extensive use of online services and centralized data processing, including through third-party service providers. We have experienced certain cyber-attacks, attempts to breach our systems and other similar incidents. The secure maintenance and transmission of customer information is a critical element of our operations. Our information technology and other systems, or those of service providers and business partners, that maintain and transmit customer or employee information may be compromised by a malicious third-party penetration of our network security, or that of a third-party service provider or business partner or impacted by intentional or unintentional actions or inactions by our employees, or those of a third-party service provider or business partner. As a result, our customers' or employee's information may be lost, disclosed, accessed, or taken without our customers' or employees' consent.

In addition, third-party service providers and other business partners process and maintain proprietary business information and data related to our employees, customers, suppliers and other business partners. Our information technology and other systems that maintain and transmit this information, or those of service providers or business partners, may also be compromised by a malicious third-party penetration of our network security or that of a third-party service provider or business partner, or impacted by intentional or unintentional actions or inactions by our employees or those of a third-party service provider or business partner. As a result, our business information or customer, supplier and other business partner data may be lost, disclosed, accessed or taken without consent.

Any such loss, disclosure, or misappropriation of, or access to, customers' or business partners' information or other breach of our information security can result in legal claims or legal proceedings, including regulatory investigations and actions, may have a serious impact on our reputation and may adversely affect our business, operating results and financial condition. Furthermore, the loss, disclosure or misappropriation of our business information may adversely affect our reputation, business, operating results, and financial condition.

Financing Risks

Our debt agreements and the Regulatory Agreement contain restrictive covenants that may limit our operating flexibility.

Our current debt agreements and the Regulatory Agreement include, and our future debt agreements and regulatory agreements will likely include numerous financial and other covenants, imposing financial and operating restrictions on our business. Our ability to comply with these provisions may be affected by general economic conditions, industry conditions and other events beyond our control. There can be no assurance that we will be able to comply with these covenants. The failure to comply with a financial covenant or other restriction contained in the agreements governing our indebtedness or in the Regulatory Agreement may result in an event of default under such agreements or sanctions or fines under the Regulatory Agreement. An event of default under our debt agreements could result in acceleration of some or all the applicable indebtedness as well as other indebtedness of ours and the inability to borrow additional funds. We do not have, and cannot be certain we would be able to obtain, sufficient funds to repay any such indebtedness if it is accelerated. Restrictions in our debt agreements or in the Regulatory Agreement might affect our ability to operate our business, might limit our ability to take advantage of potential business opportunities as they arise and might adversely affect the conduct of our current business, including by restricting our ability to finance future operations and capital needs and limiting our ability to engage in other business activities.

Our existing and future indebtedness may limit our operating and financial flexibility.

As of December 31, 2024, we had approximately $3.37 billion of total indebtedness outstanding consisting of $1.89 billion outstanding under our term loan facility (the "Term Loan") pursuant to the terms of a credit agreement we entered into on October 1, 2021 (the "Credit Agreement") with Deutsche Bank AG New York Branch, as administrative agent and collateral agent, and the lenders party thereto, and $1.5 billion in aggregate principal amount of outstanding 5.625% senior notes due 2029 and 5.875% senior notes due 2031. As of December 31, 2024, we have a $620.0 million revolving credit facility (the "Revolving Credit Facility" or "Revolver" and, together with the Term Loan, the "Credit Facility"), of which there were no outstanding borrowings as of that date. In addition, on February 7, 2025, we issued $500 million in aggregate principal amount of first lien senior secured notes due October 2, 2028. This indebtedness may have important negative consequences for us, including:

- limiting our ability to satisfy obligations;
- increasing vulnerability to general adverse economic and industry conditions;
- limiting flexibility in planning for, or reacting to, changes in our businesses and the markets in which we conduct business;
- increasing vulnerability to, and limiting our ability to react to, changing market conditions, changes in industry and economic downturns;
- limiting our ability to obtain additional financing to fund working capital requirements, capital expenditures, debt service, general corporate or other obligations;
- subjecting us to a number of restrictive covenants that, among other things, limit our ability to pay dividends and distributions, make acquisitions and dispositions, borrow additional funds and make capital expenditures and other investments;
- limiting our ability to use operating cash flow in other areas of our business because we must dedicate a significant portion of these funds to make principal and/or interest payments on outstanding debt;
- exposing us to interest rate risk due to the variable interest rate on borrowings under our Credit Facility;
- causing our failure to comply with the financial and restrictive covenants contained in our current or future indebtedness, which could cause a default under that indebtedness (and other indebtedness of ours) and which, if not cured or waived, could adversely affect us; and
- affecting our ability to renew gaming and other licenses necessary to conduct our business.

Though we have significant amounts of indebtedness outstanding, as of December 31, 2024, we have the ability to borrow the remaining $608.4 million available under our Revolving Credit Facility and may issue or incur additional indebtedness to fund our operations, including as necessary to execute on our growth strategy. Further, we may incur other liabilities that do not constitute indebtedness under the Credit Facility. The risks that we face based on our outstanding indebtedness may intensify if we incur additional indebtedness or financing obligations in the future.

Servicing our indebtedness and funding our other obligations requires a significant amount of cash, and our ability to generate sufficient cash depends on many factors, some of which will be beyond our control.

Our ability to make payments on and refinance our indebtedness and to fund our operations and capital expenditures depends upon our ability to generate cash flow and secure financing in the future. Our ability to generate future cash flow depends, among other things, upon:

- general economic conditions;
- competition;
- legislative and regulatory factors affecting our operations and businesses; and
- our future operating performance.

Some of these factors will be beyond our control. There can be no assurance that our business will generate cash flow from operations, or that future debt or equity financings will be available to us to enable us to pay our indebtedness or to fund other needs. If our operating results and available cash are insufficient to meet our debt service obligations, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. We may not be able to consummate those dispositions or to obtain the proceeds that we could realize from them, and these proceeds may not be adequate to meet any debt service obligations then due. The inability to generate cash flow could result in us needing to refinance all or a portion of our indebtedness on or before maturity, including through the issuance of additional debt or equity securities. If needed, there can be no assurance that we will be able to refinance any of our indebtedness on favorable terms, or at all. Any inability to generate sufficient cash flow or refinance our indebtedness on favorable terms could adversely affect our financial condition.

Our variable rate indebtedness exposes us to interest rate volatility, which could cause our debt service obligations to increase significantly.

Borrowings under our Credit Facility are at variable rates of interest and expose us to interest rate volatility. If interest rates increase, our debt service obligations on certain of our variable rate indebtedness will increase even though the amount borrowed remains the same.

In June 2023, with the discontinuation of the London Inter-Bank Offered Rate ("LIBOR") reference rate, the Credit Facility was amended to incorporate a Secured Overnight Financing Rate ("SOFR"). The use of SOFR based rates as alternatives to LIBOR is relatively new. There could be unanticipated difficulties or disruptions with the calculation and publication of SOFR based rates, which could affect borrowing costs.

A market downturn may negatively impact our access to financing.

A downturn in the financial markets or market volatility could negatively impact our ability to access capital and financing (including financing necessary for acquisitions or to refinance our existing indebtedness) on acceptable terms and prices, that we would otherwise need in connection with the operation of our business.

Risks Related to our Common Stock

The market price of our common stock could fluctuate significantly.

There have been and are periods of time when the US securities markets have experienced significant price fluctuations. These price fluctuations may be day-to-day or they may last for extended periods of time. Significant price fluctuations in the securities markets as a whole have caused, and may continue to cause, the market price of our common stock to be volatile and subject to wide fluctuations. The trading volume of our common stock may fluctuate and cause significant price variations to occur. Additional factors that could cause fluctuations in, or adversely affect, our stock price or trading volume include:

- general market and economic conditions, including market conditions in the gaming and hotel industries;
- actual or expected variations in quarterly operating results;
- differences between actual operating results and those expected by investors and analysts;
- sales of our common stock by current shareholders seeking liquidity in the public market;
- changes in recommendations by securities analysts;
- operations and stock performance of competitors;
- accounting charges, including charges relating to the impairment of goodwill;
- significant acquisitions or strategic alliances by us or by competitors;
- sales of our common stock by our directors and officers or significant investors; and
- recruitment or departure of key personnel.

There can be no assurance that the stock price of our common stock will not fluctuate or decline significantly in the future. In addition, the stock market in general can experience considerable price and volume fluctuations that may be unrelated to our performance.

Our largest shareholder owns a controlling percentage of our outstanding common stock, which could limit the ability of other shareholders to influence corporate matters.

Standard General, our largest shareholder, beneficially owned 73.7% of our outstanding common stock as of February 28, 2025 and, therefore, is able to control the outcome of matters submitted to our stockholders for approval. Standard General's Managing Partner and Chief Investment Officer serves as the Chairman of our Board. This concentrated control may limit or preclude your ability to influence corporate matters.

In the future we could elect to become a "controlled company" under the corporate governance rules for NYSE-listed companies and elect not to have a majority of our board of directors be independent and/or not to have a compensation committee and/or an independent nominating function. If such election is made in the future, should the interests of our controlling stockholder differ from those of other stockholders, the other stockholders may not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance rules for NYSE-listed companies.

We are not paying dividends and any decision to do so in the future will be at the discretion of our Board.

The timing, declaration, amount, and payment of any future dividends will be at the discretion of our Board and will depend upon, among other factors, our earnings, cash requirements, financial condition, requirements to comply with the covenants under our debt agreements and the Regulatory Agreement, legal considerations and other factors that our Board deems relevant. If we do not pay cash dividends on our common stock in the future, then the return on an investment in our common stock will depend upon our future stock price and other forms of returning capital. There is no guarantee that our common stock will maintain its value or appreciate in value.

We are a holding company and will depend on our subsidiaries for dividends, distributions and other payments.

We are structured as a holding company, a legal entity separate and distinct from our subsidiaries. Our only significant asset is the capital stock or other equity interests of our operating subsidiaries. As a holding company, we will conduct all of our business through our subsidiaries. Consequently, our principal source of cash flow will be dividends and distributions from our subsidiaries. Our right to participate in a distribution of assets upon a subsidiary's liquidation or reorganization will be subject to the prior claims of the subsidiary's creditors.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

We have established policies and processes for assessing, identifying, and managing material risks from cybersecurity threats, and have integrated these processes into our overall risk management systems and practices. We routinely assess material risks from cybersecurity threats, including any potential unauthorized attack on, or use of, our information systems that may result in adverse effects on the confidentiality, integrity, or availability of our information systems or any information stored therein.

Our data breach management policy classifies potential incidents by risk levels, and we typically prioritize our incident mitigation and impact evaluation efforts based on those risk classifications, while focusing on maintaining the resiliency of our systems. These risk assessments include identifying reasonably foreseeable potential internal and external risks, the likelihood of occurrence and any potential damage that could result from such risks, and the sufficiency of existing policies, procedures, systems, controls, and other safeguards in place to manage such risks.

Following these risk assessments, we design, implement, and maintain reasonable safeguards to minimize the identified risks; reasonably address any identified gaps in existing safeguards; update existing safeguards as necessary; and monitor the effectiveness of our safeguards. Some of the other steps we have taken to detect, identify, assess, classify, and attempt to mitigate cyber security and risks include:

- Adopting and periodically reviewing and updating information security and privacy policies;
- Conducting targeted audits and penetration tests throughout the year, using both internal and external resources;
- Complying with the Payment Card Industry Data Security Standard (PCI-DSS);
- Implementing an Information Security Management System (ISMS) that is certified as meeting the requirements of the ISO 27001 standard;
- Implementing a Privacy Information Management System (PIMS) that complies with the requirements of the ISO 27701 standard;
- Engaging an industry-leading, suitably qualified and experienced third party to independently evaluate our information security systems on a regular basis;
- Adopting a vendor risk management program, which includes receiving the results of cybersecurity evaluations conducted on certain vendors engaged in high-risk data processing;
- Providing security and data protection training and awareness to our employees, contractors and key partners with access to sensitive information and systems; and
- Maintaining cyber liability insurance.

At this time, we have not identified risks from known cybersecurity threats, including as a result of any prior cybersecurity incidents, that have materially affected or are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. For additional information regarding risks from cybersecurity threats, please refer to Item 1A *"Risk Factors -Cybersecurity and Technology Risks.*

Governance

Cybersecurity and data protection falls under our overall risk management and oversight. Our Board of Directors periodically receives reports from our operations committee, cybersecurity management, external professional advisors, and other relevant Company personnel regarding various types of risks faced by the Company and the Company's risk mitigation efforts related thereto, including cybersecurity risks and related mitigation efforts.

The Board also receives presentations from management regarding trends in cybersecurity risks and risk mitigation initiatives and plans, including briefings on recent breaches at other companies and key takeaways and lessons learned that are applicable to our business. The Board will also periodically review key cybersecurity-related benchmarks for the Company.

The Company has a dedicated Security Forum and a Data Protection Committee comprising members from our senior leadership that convene on a regular basis to receive updates from our operations committee, cybersecurity management, external professional advisors, and other relevant Company personnel about the Cybersecurity & Privacy programs we have in place; discuss and assess material risks and planned risk mitigation, incidents and planned remediation efforts, trends observed, consider cybersecurity-related proposals, and review and adopt changes in cybersecurity policies.

Management's Responsibilities

In the event we identify a potential cybersecurity issue, we have defined procedures for responding to such issues, including procedures that address when and how to engage with Company management, our Board of Directors, other stakeholders, and law enforcement when responding to such issues. We have a dedicated management team overseeing our cybersecurity initiatives, led by our Chief Information Officer, our Vice President and Global Data Privacy Officer, and our Vice President of Cybersecurity. Our Chief Information Officer has over 25 years' experience overseeing and managing information technology teams and complex IT systems, and our Vice President of Cybersecurity has over 15 years' experience developing and managing cybersecurity functions and strategies. Our Vice President of Global Data Privacy is a recognized leader in the industry with over 7 years of experience in managing global data privacy programs. Our cybersecurity management team regularly meets with senior executives and other team members to provide oversight with respect to our cybersecurity risk detection, identification, assessment, classification, and mitigation efforts.

ITEM 2. PROPERTIES

The properties managed/owned by Bally's as of December 31, 2024, as shown in the table below:

Property	Location	Property Type	Built/ Acquired	Gaming Square Footage	Reportable Segment
Bally's Twin River Lincoln Casino Resort[(1)]	Lincoln, RI	Casino and Resort	2004	188,070	Casinos & Resorts
Bally's Arapahoe Park	Aurora, CO	Racetrack/OTB Site	2004	—	Casinos & Resorts
Hard Rock Hotel & Casino Biloxi[(1)(3)]	Biloxi, MS	Casino and Resort	2014	50,984	Casinos & Resorts
Bally's Tiverton Casino & Hotel[(1)(3)]	Tiverton, RI	Casino and Hotel	2018	33,840	Casinos & Resorts
Bally's Dover Casino Resort[(1)(3)]	Dover, DE	Casino, Resort and Raceway	2019	92,067	Casinos & Resorts
Bally's Black Hawk[(1)(2)(3)]	Black Hawk, CO	Three Casinos	2020	34,632	Casinos & Resorts
Bally's Kansas City Casino[(1)(3)]	Kansas City, MO	Casino	2020	50,000	Casinos & Resorts
Bally's Vicksburg Casino[(1)]	Vicksburg, MS	Casino and Hotel	2020	32,608	Casinos & Resorts
Bally's Atlantic City Casino Resort[(1)]	Atlantic City, NJ	Casino and Resort	2020	81,614	Casinos & Resorts
Bally's Shreveport Casino & Hotel[(1)(3)]	Shreveport, LA	Casino and Hotel	2020	30,000	Casinos & Resorts
Bally's Lake Tahoe Casino Resort	Lake Tahoe, NV	Casino and Resort	2021	46,665	Casinos & Resorts
Bally's Evansville Casino & Hotel[(1)(3)]	Evansville, IN	Casino and Hotel	2021	46,265	Casinos & Resorts
Bally's Quad Cities Casino & Hotel[(1)(3)]	Rock Island, IL	Casino and Hotel	2021	42,300	Casinos & Resorts
Bally's Chicago Casino[(4)]	Chicago, IL	Casino	2023	34,894	Casinos & Resorts
Bally's Golf Links at Ferry Point	Bronx, NY	Golf Course	2023	—	Casinos & Resorts
Bally's Newcastle	Newcastle, United Kingdom	Casino	2024	43,000	International Interactive

(1) The properties noted above are required to be mortgaged under and are encumbered under our Credit Agreement.
(2) These properties include Bally's Black Hawk North Casino, Bally's Black Hawk West Casino and Bally's Black Hawk East Casino.
(3) Properties leased from GLPI. Refer to Note 18 "Leases" for further information.
(4) Temporary casino facility while permanent casino resort is constructed. Site of future permanent casino resort is leased from GLPI.

As of December 31, 2024, Bally's had approximately 200,000 square feet of office space, including the corporate headquarters located in Providence, Rhode Island. Our interactive businesses operate primarily in leased office space located in the UK, US, Canada, Estonia, Gibraltar and Isle of Man.

ITEM 3. LEGAL PROCEEDINGS

We are party to various legal proceedings which have arisen in the normal course of our business. Such proceedings can be costly, time consuming and unpredictable and, therefore, no assurance can be given that the final outcome of such proceedings will not materially impact our consolidated financial condition or results of operations. While we maintain insurance coverage that we believe is adequate to mitigate the risks of such proceedings, no assurance can be given that the amount or scope of existing insurance coverage will be sufficient to cover losses arising from such matters. Estimated losses are accrued for these proceedings when the loss is probable and can be estimated. The current liability for the estimated losses associated with these proceedings is not material to our consolidated financial condition and those estimated losses are not expected to have a material impact on our results of operations.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

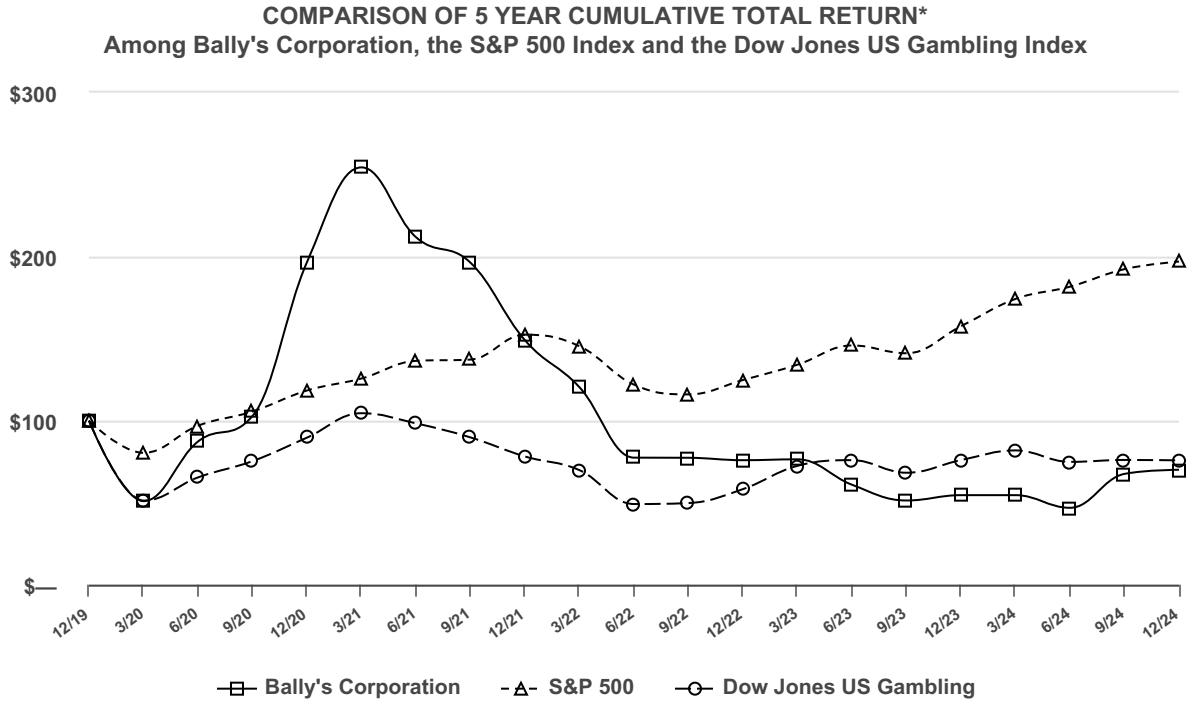
ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information for Our Common Stock

Our common stock is listed on the NYSE under the symbol "BALY."

Stock Performance Graph

Our shares of common stock began trading on the NYSE on March 29, 2019. The performance graph below compares the cumulative total return on our common stock to the cumulative total return of the Standard & Poor's 500 Stock Index ("S&P 500") and the Dow Jones US Gambling Index. The performance graph assumes that $100 was invested on December 31, 2019 in each of our common stock, the S&P 500 and the Dow Jones US Gambling Index, and that all dividends were reinvested. The stock price performance shown in this graph is neither necessarily indicative of, nor intended to suggest, future stock price performance.



*$100 invested on 12/31/19 in stock or index, including reinvestment of dividends. Fiscal year ending December 31.
Copyright© 2024 Standard & Poor's, a division of S&P Global. All rights reserved.
Copyright© 2024 S&P Down Jones Indices LLC, a division of S&P Global. All rights reserved.

Dividend Policy

We do not currently intend to pay any dividends on our common stock in the foreseeable future. Any future determinations relating to our dividend policies will be made at the discretion of our Board and will depend on conditions then existing, including our financial condition, results of operations, contractual restrictions, capital and regulatory requirements and other factors our Board may deem relevant.

Holders

At February 28, 2025, there were 8 holders of record of our common stock, although we believe there are a larger number of beneficial owners of our common stock because many shares are held by brokers and other institutions on behalf of shareholders. Standard General, our largest shareholder, beneficially owned 73.7% of our outstanding common stock as of February 28, 2025.

Issuer Purchases of Equity Securities

On June 14, 2019, we announced that the Board approved a capital return program (the "Capital Return Program") under which we may expend a total of up to $250 million for a share repurchase program and payment of dividends. On February 10, 2020, and October 4, 2021, the Board approved an additional $100 million and $350 million for stock repurchases and payment of dividends, respectively. As of December 31, 2024, 95.5 million was available for use under the capital return program.

Share repurchases under publicly announced programs may be effected in various ways, which could include open-market or private repurchase transactions, accelerated share repurchase programs, tender offers or other transactions. The amount, timing and terms of any capital transactions will be determined based on prevailing market conditions and other factors and may be suspended or discontinued at any time. There is no fixed time period to complete the capital returns.

There were no share repurchases made by the Company of its common stock during the year ended December 31, 2024.

On February 7, 2025, approximately 22.9 million shares of our common stock were converted into the right to receive cash consideration equal to 18.25 per share in connection with our transactions with Standard General and its affiliates, including Queen.

Recent Sales of Unregistered Securities

On February 7, 2025, we issued 30452096 shares of our common stock in reliance upon Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), in connection with the closing of our transactions with Standard General and its affiliates, including Queen. In addition, SBG Gaming, LLC ("SBG") delivered to us options it previously acquired from us to purchase 1639669 shares of our common stock in exchange for warrants to purchase 384536 shares of our common stock containing terms substantially similar to other warrants held by SBG. The warrant issuance was exempt from the registration requirements of the Securities Act pursuant to Section 3(a)(9) of the Securities Act. See our Current Report on Form 8-K filed with the SEC on February 13, 2025 for additional information.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with our consolidated financial statements and the related notes and other financial information included elsewhere in this Annual Report on Form 10-K. Some of the information contained in this discussion and analysis or set forth elsewhere in this Annual Report on Form 10-K, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should review Item 1A. "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in this Annual Report on Form 10-K for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Executive Overview

During 2024, we continued to expand our business by actively pursuing new gaming opportunities and strategically allocating capital to our growth initiatives and existing operations.

- In connection with our development plans for Bally's Chicago, we secured a $940 million financing arrangement with GLPI for constructing our flagship casino in downtown Chicago, with construction slated for early 2025.
- The controlled demolition of the Tropicana Las Vegas hotel towers advanced our stadium construction plans and site redevelopment.
- We expanded our iGaming presence by launching the Bally Bet Casino app in Rhode Island and enhancing the Bally Bet sportsbook app's reach in 13 US states and Ontario.
- During the fourth quarter of 2024, we successfully disposed of portions of our international interactive business in Asian and certain other international markets. In addition, we transferred ownership of certain intellectual property used in the business into a purpose trust, which began receiving license fees under a new commercial license arrangement. We also purchased a warrant representing a 19.99% fully diluted equity interest in the Carved-Out Business.

These steps continue to position us as a prominent, full-service, vertically integrated iGaming company, with physical casinos and online gaming solutions united under a single, leading brand.

Business Development Projects

Our business development projects are summarized above in "Our Strategy and Business Developments" section above and in Note 7 "Business Combinations" to our consolidated financial statements presented in Part II, Item 8 of this Annual Report on Form 10-K.

Macroeconomic and Other Factors

Our business is subject to risks caused by global economic challenges, including those caused by public health crises such as the COVID-19 pandemic, the impact of global and regional conflicts, rising inflation, rising interest rates and supply-chain disruptions, that can cause economic uncertainty and volatility. These challenges can negatively impact discretionary consumer spending and could result in a reduction in visitors to our properties, including those that stay in our hotels, or discretionary spending by our customers on entertainment and leisure activities. In addition, inflation generally affects our business by increasing our cost of labor. In periods of sustained inflation, it may be difficult to effectively control such increases to our costs and retain key personnel.

Key Performance Indicators

The key performance indicator used in managing our business is consolidated Adjusted EBITDA and segment Adjusted EBITDAR which are non-GAAP measures. Adjusted EBITDA is defined as earnings, or loss, for the Company, or where noted its reporting segments, before, in each case, interest expense, net of interest income, provision (benefit) for income taxes, depreciation and amortization, non-operating (income) expense, acquisition and other transaction related costs, share-based compensation and certain other gains or losses as well as, when presented for our reporting segments, an adjustment related to the allocation of corporate cost among segments. Segment Adjusted EBITDAR is Adjusted EBITDA (as defined above) for the Company's reportable segments, plus rent expense associated with triple net operating leases with GLPI for the real estate assets used in the operation of the Bally's casinos and the assumption of the lease for real estate and land underlying the operations of the Bally's Lake Tahoe property.

We use consolidated Adjusted EBITDA and segment Adjusted EBITDAR to analyze the performance of our business and they are used as determining factors for performance-based compensation for members of our management team. We use consolidated Adjusted EBITDA and segment Adjusted EBITDAR when evaluating operating performance because we believe that the inclusion or exclusion of certain recurring and non-recurring items is necessary to provide a more fulsome understanding of our core operating results and as a means to evaluate period-to-period performance. Also, we present consolidated Adjusted EBITDA and segment Adjusted EBITDAR because they are used by some investors and creditors as indicators of the strength and performance of ongoing business operations, including our ability to service debt, and to fund capital expenditures, acquisitions and operations. These calculations are commonly used as a basis for investors, analysts and credit rating agencies to evaluate and compare operating performance and value companies within our industry. Consolidated Adjusted EBITDA and segment Adjusted EBITDAR information is presented because management believes that they are commonly used measures of performance in the gaming industry and that they are considered by many to be key indicators of our operating results.

Consolidated Adjusted EBITDAR is used outside of our financial statements solely as a valuation metric. Consolidated Adjusted EBITDAR is defined as consolidated Adjusted EBITDA plus rent expense associated with triple net operating leases. Consolidated Adjusted EBITDAR is an additional metric used by analysts in valuing gaming companies subject to triple net leases since it eliminates the effects of variability in leasing methods and capital structures. This metric is included as supplemental disclosure because (i) we believe Consolidated Adjusted EBITDAR is used by gaming operator analysts and investors to determine the equity value of gaming operators and (ii) financial analysts refer to Consolidated Adjusted EBITDAR when valuing our business. We believe Consolidated Adjusted EBITDAR is useful for equity valuation purposes because (i) its calculation isolates the effects of financing real estate, and (ii) using a multiple of Consolidated Adjusted EBITDAR to calculate enterprise value allows for an adjustment to the balance sheet to recognize estimated liabilities arising from operating leases related to real estate.

Consolidated Adjusted EBITDA and segment Adjusted EBITDAR should not be construed as alternatives to net income, the most directly comparable GAAP measure, as indicators of our performance. In addition, consolidated Adjusted EBITDA and segment Adjusted EBITDAR as used by us may not be defined in the same manner as other companies in our industry, and, as a result, may not be comparable to similarly titled non-GAAP financial measures of other companies. Consolidated Adjusted EBITDAR should not be viewed as a measure of overall operating performance or considered in isolation or as an alternative to net income, because it excludes the rent expense associated with our triple net operating leases with GLPI and the lease for real estate and land underlying the operations of the Bally's Lake Tahoe property.

Results of Operations

The following table presents, for the periods indicated, certain revenue and income items:

	Years Ended December 31,		
(In millions)	**2024**	**2023**	**2022**
Total revenue	$ 2,450.5	$ 2,449.1	$ 2,255.7
(Loss) income from operations	(258.3)	104.0	(293.0)
Net loss	(567.8)	(187.5)	(425.5)

The following table presents, for the periods indicated, certain income and expense items expressed as a percentage of total revenue:

	Years Ended December 31,		
	2024	**2023**	**2022**
Total revenue	100.0 %	100.0 %	100.0 %
Gaming and non-gaming expenses	45.8 %	45.1 %	44.7 %
General and administrative	42.6 %	45.5 %	36.6 %
Gain on sale-leaseback, net	(3.5)%	(15.3)%	(2.3)%
Impairment charges	10.2 %	6.1 %	20.6 %
Depreciation and amortization	15.5 %	14.3 %	13.3 %
Total operating costs and expenses	110.5 %	95.8 %	113.0 %
(Loss) income from operations	(10.5)%	4.2 %	(13.0)%
Other (expense) income:			
Interest expense, net	(11.8)%	(11.3)%	(9.2)%
Other non-operating income (expense), net	(0.2)%	(0.5)%	2.1 %
Total other expense, net	(12.0)%	(11.8)%	(7.2)%
Loss before income taxes	(22.5)%	(7.6)%	(20.1)%
Provision (benefit) for income taxes	0.6 %	0.1 %	(1.3)%
Net loss	(23.2)%	(7.7)%	(18.9)%

Note: Amounts in table may not subtotal due to rounding.

Segment Information

The Company has three reportable segments: Casinos & Resorts, International Interactive and North America Interactive. Refer to "Our Operating Structure" in Part I, Item 1 "Business" of this Annual Report on Form 10-K and Note 23 "Segment Reporting" to our consolidated financial statements presented in Part II, Item 8 of this Annual Report on Form 10-K for additional information on our segment reporting structure. The following table sets forth certain financial information associated with results of operations for the years ended December 31, 2024, 2023 and 2022. Non-gaming revenue includes hotel, food and beverage, licensing and retail, entertainment and other revenue. Non-gaming expenses include hotel, food and beverage, licensing and retail, entertainment and other expenses.

	Years Ended December 31,			2024 over 2023	2023 over 2022
(In thousands, except percentages)	**2024**	**2023**	**2022**	**$ Change**	**$ Change**
Revenue:					
Gaming					
Casinos & Resorts	$ 1,008,361	$ 954,725	$ 907,431	$ 53,636	$ 47,294
International Interactive	893,756	952,921	899,934	(59,165)	52,987
North America Interactive	149,551	84,395	38,759	65,156	45,636
Total Gaming revenue	2,051,668	1,992,041	1,846,124	59,627	145,917
Non-gaming					
Casinos & Resorts	354,752	408,566	320,132	(53,814)	88,434
International Interactive	15,737	20,289	46,508	(4,552)	(26,219)
North America Interactive	28,321	28,177	42,941	144	(14,764)
Total Non-gaming revenue	398,810	457,032	409,581	(58,222)	47,451
Total revenue	$ 2,450,478	$ 2,449,073	$ 2,255,705	$ 1,405	$ 193,368
Operating costs and expenses:					
Gaming					
Casinos & Resorts	$ 380,019	$ 337,193	$ 313,569	$ 42,826	$ 23,624
International Interactive	403,949	457,206	451,331	(53,257)	5,875
North America Interactive	150,095	94,538	48,018	55,557	46,520
Total Gaming expenses	934,063	888,937	812,918	45,126	76,019
Non-gaming					
Casinos & Resorts	174,228	194,612	147,575	(20,384)	47,037
International Interactive	5,608	11,985	34,205	(6,377)	(22,220)
North America Interactive	9,252	9,642	14,538	(390)	(4,896)
Total Non-gaming expenses	189,088	216,239	196,318	(27,151)	19,921
General and administrative					
Casinos & Resorts	791,316	658,021	510,929	133,295	147,092
International Interactive	198,560	191,358	149,168	7,202	42,190
North America Interactive	66,670	85,203	113,913	(18,533)	(28,710)
Corporate & Other	(13,060)	179,394	51,696	(192,454)	127,698
Total General and administrative	$ 1,043,486	$ 1,113,976	$ 825,706	$ (70,490)	$ 288,270
Margins:					
Gaming expenses as a percentage of Gaming revenue	46 %	45 %	44 %		
Non-gaming expenses as a percentage of Non-gaming revenue	47 %	47 %	48 %		
General and administrative as a percentage of Total revenue	43 %	45 %	37 %		

Year ended December 31, 2024 compared to year ended December 31, 2023

Total revenue

Our total revenue for the years ended December 31, 2024 and 2023 consisted of the following (in thousands):

	2024	2023	$ Change	% Change
Gaming	$ 2,051,668	$ 1,992,041	$ 59,627	3.0 %
Hotel	148,693	200,650	(51,957)	(25.9)%
Food and beverage	135,213	143,521	(8,308)	(5.8)%
Licensing	6,861	—	6,861	100.0 %
Retail, entertainment and other	108,043	112,861	(4,818)	(4.3)%
Total revenue	$ 2,450,478	$ 2,449,073	$ 1,405	0.1 %

Total revenue for the year ended December 31, 2024 remained consistent when compared to the year ended December 31, 2023. Revenue from our Casinos & Resorts reportable segment increased 6% to $1.01 billion, mainly due to the inclusion of our Bally's Chicago temporary casino property, which contributed an incremental increase of approximately $96.5 million during the year ended December 31, 2024, partially offset by the incremental decrease in revenue associated with the closure of our Tropicana Las Vegas property during the second quarter of 2024 of approximately $77.8 million. The expanded operating jurisdictions within our North America Interactive reportable segment also contributed additional incremental revenue of approximately $37.8 million for the year ended December 31, 2024, compared to the prior year. Additionally, within our International Interactive reportable segment, we experienced decreased revenue within our previous markets associated with the sale of the Carved-Out Business, which was partially offset by the incremental increase of $6.9 million from our licensing revenue stream and additional growth within our UK market of approximately $67.5 million.

Gaming and non-gaming expenses

Gaming and non-gaming expenses for the year ended December 31, 2024 increased $18.0 million when compared to the year ended December 31, 2023. The overall increase in gaming and non-gaming expenses from the prior year was mainly attributable to the inclusion of expenses from our recently opened Bally's Chicago temporary casino which contributed approximately $52.8 million to the increase in both gaming and non-gaming expenses during the year ended December 31, 2024, partially offset by the incremental decrease in expense associated with the closure of our Tropicana Las Vegas property of $42.1 million.

General and administrative

General and administrative expenses for the year ended December 31, 2024 decreased $70.5 million from $1.11 billion, in 2023. The year to date fluctuation in general and administrative expense is primarily attributable to the $144.9 million Diamond Sports Group non-cash settlement in 2023 and decreased acquisition and integration costs and severance and employee related restructuring costs compared to prior year, partially offset by the Loss on disposal of business of $27.8 million recorded in the current year related to the sale of the Carved-Out Business in the fourth quarter of 2024, and increased Merger Agreement costs in 2024.

Impairment charges

In 2024, we recorded total impairment charges of $248.9 million which included $125.9 million, $71.6 million and $12.8 million impairment charges in the International Interactive segment related to its intangible assets, goodwill and certain other long-lived assets, respectively. In addition, we also recorded $38.6 million of impairment charges on gaming licenses in connection with our Casinos & Resorts reporting segment.

Depreciation and amortization

Depreciation and amortization for the year ended December 31, 2024 was $379.5 million, compared to $350.4 million in 2023. The year to date increase was primarily driven by our Tropicana Las Vegas property, where we recorded accelerated depreciation of $80.1 million on assets as a result of the recent closure of the property on April 2, 2024, partially offset by the decreased expense related to the assets sold in the fourth quarter of 2024 as part of the Carved-Out Business.

(Loss) income from operations

Loss from operations was $258.3 million for the year ended December 31, 2024 compared to income from operations of $104.0 million in 2023. The change year-over-year was driven by the net gain on sale-leaseback of $86.3 million in the current year, made up of the $150.0 million loss related to the lease modification event involving the real estate underlying the Bally's Chicago project and the $236.3 million gains recorded related to the sale of the Bally's Kansas City and Bally's Shreveport assets, compared to the gain on sale-leaseback of $374.3 million recorded in 2023 related to our Hard Rock Biloxi and Bally's Tiverton properties, combined with the increased impairment charges in the current year, as noted above.

Other (income) expense

Total other expense, net remained consistent, when compared to the year ended December 31, 2023. During the year, we experienced an increase in interest expense due to higher interest rates of our borrowings year-over-year, which were offset by increased foreign currency gains and increased interest income recognized on our derivative instruments.

Provision for income taxes

Provision for income taxes for the year ended December 31, 2024 was $15.3 million, compared to $1.8 million in 2023. The effective tax rate for the year ended December 31, 2024 was (2.8)% compared to (0.9)% in 2023. The 2024 year to date effective tax rate differed from the US federal statutory rate of 21%, creating a provision for income tax on the Company's Loss before income taxes, largely due to an increase in the valuation allowance and the negative rate differential driven by the increased impairment charges within our foreign entities.

On December 15, 2022, the European Union ("EU") Member States formally adopted the EU's Pillar Two Directive, which generally provides for a minimum effective tax rate of 15%, as established by the Organization for Economic Co-operation and Development Pillar Two Framework that was supported by over 130 countries worldwide. The EU effective dates are January 1, 2024 and January 1, 2025, for different aspects of the directive. A significant number of other countries are also implementing similar legislation. The estimated impact of this directive is immaterial to the Company's consolidated financial statements in the current year.

Net loss and loss per share

Net loss for the year ended December 31, 2024 was $567.8 million compared to $187.5 million in 2023. As a percentage of revenue, net loss increased from 7.7% for the year ended December 31, 2023 to a net loss of 23.2% for the year ended December 31, 2024. Diluted loss per share for the year ended December 31, 2024 and 2023 was $11.71 and $3.51, respectively, and was impacted by the factors noted above.

Adjusted EBITDA and Adjusted EBITDAR by Segment

Consolidated Adjusted EBITDA was $495.6 million for the year ended December 31, 2024, a decrease of $31.7 million, or 6.0%, from $527.3 million in 2023.

Adjusted EBITDAR for the Casinos & Resorts segment for the year ended December 31, 2024 was $370.5 million, a decrease of $58.5 million, or 13.6%, for the year ended December 31, 2024 compared to $429.0 million in 2023. These decreases were primarily attributable to weather impacts across multiple properties and the closure of the Tropicana Las Vegas in the current year, partially offset by the inclusion of Bally's Chicago that opened at the end of the third quarter of 2023.

Adjusted EBITDAR for the International Interactive segment for the year ended December 31, 2024 was $336.5 million, a decrease of $7.1 million, or 2.1%, compared to $343.6 million, mainly due to softness in our non-UK operations year-over-year.

Adjusted EBITDAR loss for the North America Interactive segment for the year ended December 31, 2024 was $40.2 million compared to $55.7 million in 2023. The decrease in adjusted EBITDAR losses is largely driven by expanded operating jurisdictions and stronger performance in iGaming and sportsbook in the current year.

The following table presents segment Adjusted EBITDAR, which is our reportable segment GAAP measure and our primary measure for profit or loss for our reportable segments, and reconciles Adjusted EBITDAR on a consolidated basis to net income (loss). The Other category is included in the following tables in order to reconcile the segment information to the Company's consolidated financial statements.

(in thousands)	Year Ended December 31, 2024	2023	2022
Adjusted EBITDAR			
Casinos & Resorts	$ 370,518	$ 428,968	$ 398,930
International Interactive	336,460	343,559	321,651
North America Interactive	(40,236)	(55,653)	(65,729)
Corporate & Other	(52,212)	(63,770)	(53,024)
Total	614,530	653,104	601,828
Rent expense associated with triple net operating leases[1]	(118,919)	(125,775)	(53,313)
Adjusted EBITDA	495,611	527,329	548,515
Interest expense, net of interest income	(289,629)	(277,561)	(208,153)
(Benefit) provision for income taxes	(15,252)	(1,762)	28,923
Depreciation and amortization	(379,544)	(350,408)	(300,559)
Non-operating expense, net[2]	(25,608)	(12,688)	46,176
Foreign exchange (gain) loss	10,271	(11,019)	516
Transaction costs[3]	(41,060)	(80,376)	(85,604)
Restructuring charges[4]	(17,921)	(31,014)	—
Tropicana Las Vegas demolition and closure costs[5]	(59,838)	—	—
Share-based compensation	(14,752)	(24,074)	(27,912)
Gain on sale-leaseback, net[6]	86,254	374,321	50,766
Loss on disposal of business[7]	(27,796)	—	—
Impairment charges[8]	(248,879)	(149,825)	(463,978)
Merger Agreement costs[9]	(14,808)	—	—
Payment Service Provider write-off[10]	(6,333)	—	—
Diamond Sports Group non-cash settlement[11]	(1,114)	(144,883)	—
Other[12]	(17,356)	(5,540)	(14,236)
Net loss	$ (567,754)	$ (187,500)	$ (425,546)

(1) Consists of the operating lease components contained within our triple net leases with GLPI for the real estate assets used in the operations of certain Casinos & Resorts properties, and the triple net lease associated with the real estate and land underlying the operations of the Bally's Lake Tahoe facility.

(2) Non-operating expense, net includes: (i) change in value of performance warrants, (ii) gain on extinguishment of debt, (iii) non-operating items of equity method investments including our share of net income or loss on an investment and depreciation expense related to our Rhode Island joint venture, and (iv) other (income) expense, net.

(3) Includes acquisition, integration and other transaction related costs, and financing costs incurred in connection with the Company's sale lease-back transactions.

(4) Restructuring charges representing the severance and employee related benefits related to the announced Interactive business restructuring initiatives and the closure of the Company's Tropicana Las Vegas property on April 2, 2024.

(5) Demolition and closure costs associated with the Tropicana Las Vegas property which is part of the plan to redevelop the site with a state-of-the-art integrated resort and ballpark. As part of the binding term sheet, GLPI has reimbursed the Company for its demolition expenses and had increased rent to reflect the additional funding.

(6) Gain on sale-leaseback, net is related to Bally's Kansas City, Bally's Shreveport and the Company's Bally's Chicago project during the year ended December 31, 2024, the Hard Rock Biloxi and Bally's Tiverton properties during the year ended December 31, 2023, and Bally's Quad Cities and Bally's Black Hawk ("Bally's Black Hawk") during the year ended December 31, 2022.

(7) Loss on disposal of business of $27.8 million recorded in 2024 related to the sale of its interactive business in Asia and certain other international markets in its International Interactive reportable segment in the fourth quarter of 2024.

(8) Impairment charges for 2024 includes $125.9 million, $71.6 million and $12.8 million impairment charges in the International Interactive segment related to its intangible assets, goodwill and certain other long-lived assets, respectively, as well as $38.6 million of impairment charges on gaming licenses in connection with our Casinos & Resorts reporting segment. Impairment charges in 2023 included $54.0 million in the International Interactive segment related to a long-standing indefinite lived trademark acquired as part of the Gamesys acquisition, $58.6 million impairment on indefinite-lived gaming licenses in the Casinos & Resorts segment, $5.7 million of impairment charges related to the interactive restructuring program representing the impairment of certain technology which will no longer be utilized, and $3.8 million of impairment on related to assets held-for-sale in 2023. Impairment charges in 2022 include $390.7 million related to our North America Interactive segment as part of our annual goodwill and asset impairment analysis and $73.3 million in the International Interactive segment related to a long-standing indefinite lived trademark acquired as part of the Gamesys acquisition.

(9) Costs incurred in connection with the Company's merger with Standard General.

(10) In the third quarter of 2024, the Company recorded a $6.3 million charge to reduce amounts due from payment service providers ("PSP") due to a circumstance whereby the payment processer for certain online sports wagering deposits failed to capture and settle funds with patrons of the Company. The Company was not able to recover the full amount due from the payment service provider, resulting in a write down to the recoverable amount. In addition to amounts recovered, the Company received $5.1 million from the PSP as a signing bonus for entering into an extension agreement.

(11) Non-cash reserve to reflect the remaining Diamond commercial rights intangible asset offset by forgiveness of the liability.

(12) Other includes the following items: (i) non-routine legal expenses, contract termination charges, and settlement costs for matters outside the normal course of business, (ii) storm related insurance and business interruption recoveries, and (iii) other individually de minimis expenses.

Year ended December 31, 2023 compared to year ended December 31, 2022

This information can be found under Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations—Year ended December 31, 2023 compared to year ended December 31, 2022" in our Annual Report on Form 10-K for the year ended December 31, 2023.

Liquidity and Capital Resources

Overview

We are a holding company. Our ability to fund our obligations depends on existing cash on hand, cash flow from our subsidiaries and our ability to raise capital. Our primary sources of liquidity and capital resources have been cash on hand, cash flow from operations, borrowings under our Revolving Credit Facility (as defined herein) and proceeds from the issuance of debt and equity securities. We assess liquidity in terms of the ability to generate cash or obtain financing in order to fund operating, investing and debt service requirements. Our primary ongoing cash requirements include the funding of operations, capital expenditures, acquisitions and other investments in line with our business strategy and debt repayment obligations and interest payments. Our strategy has been to maintain moderate leverage and substantial capital resources in order to take advantage of opportunities, to invest in our businesses and acquire properties at what we believe to be attractive valuations. As such, we have continued to invest in our land-based casino business and build on our interactive/iGaming gaming business. We believe that existing cash balances, operating cash flows and availability under our Revolving Credit Facility, as explained below, will be sufficient to meet funding needs for operating, capital expenditure and debt service purposes.

Cash Flows Summary

	Years Ended December 31,		
(In thousands)	**2024**	**2023**	**2022**
Net cash provided by operating activities	$ 113,999	$ 188,614	$ 270,971
Net cash provided by (used in) investing activities	97,835	(207,791)	(302,922)
Net cash (used in) provided by financing activities	(287,840)	65,755	43,237
Effect of foreign currency on cash and cash equivalents	(8,002)	5,153	(20,722)
Change in cash and cash equivalents and restricted cash classified as assets held for sale	—	(1,653)	(220)
Net change in cash and cash equivalents and restricted cash	(84,008)	50,078	(9,656)
Cash and cash equivalents and restricted cash, beginning of period	315,262	265,184	274,840
Cash and cash equivalents and restricted cash, end of period	$ 231,254	$ 315,262	$ 265,184

A description of changes in cash flows comparing the years ended December 31, 2023 and 2022 can be found in Part II. Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources" of our Annual Report on Form 10-K for the year ended December 31, 2023.

Operating Activities

Net cash provided by operating activities was $114.0 million for the year ended December 31, 2024, compared to $188.6 million in 2023. The decrease in cash provided by operating activities was primarily driven by the changes in working capital, offset by increased foreign currency losses in the current year.

Investing Activities

Net cash provided by investing activities was $97.8 million for the year ended December 31, 2024, compared to net cash used in investing activities of $207.8 million in 2023. This change was primarily driven a $111.7 million decrease in cash paid for capital expenditures year-over-year, combined with the $135.3 million of gaming license fees paid in 2023 in connection with the opening of our Bally's Chicago temporary casino.

Financing Activities

Net cash used in financing activities was $287.8 million for the year ended December 31, 2024, compared to net cash provided by financing activities of $65.8 million in the prior year. This increase was mainly attributable to an increase in long-term debt repayments made in 2024, partially offset by decreased stock repurchases when compared to the prior year.

Capital Return Program

As of December 31, 2024, there was $95.5 million available for use under the Capital Return Program, subject to limitations in our regulatory and debt agreements. Future share repurchases may be effected in various ways, which could include open-market or private repurchase transactions, accelerated stock repurchase programs, tender offers or other transactions. The amount, timing and terms of any return of capital transaction will be determined based on prevailing market conditions and other factors. There is no fixed time period to complete share repurchases.

We did not pay cash dividends during the year ended December 31, 2024, nor do we currently intend to pay any dividends on our common stock in the foreseeable future. Any future determinations relating to our dividend policies will be made at the discretion of our Board and will depend on conditions then existing, including our financial condition, results of operations, contractual restrictions, capital and regulatory requirements and other factors our Board may deem relevant.

Unsecured Notes

On August 20, 2021, we issued $750.0 million aggregate principal amount of 5.625% senior notes due 2029 and $750.0 million aggregate principal amount of 5.875% senior notes due 2031. On October 1, 2021, upon the closing of the Gamesys acquisition, we assumed the issuer obligation under the unsecured notes.

The indenture contains covenants that limit the ability of the Company and its restricted subsidiaries to, among other things, (i) incur additional indebtedness, (ii) pay dividends on or make distributions in respect of capital stock or make certain other restricted payments or investments, (iii) enter into certain transactions with affiliates, (iv) sell or otherwise dispose of assets, (v) create or incur liens and (vi) merge, consolidate or sell all or substantially all of the Company's assets. These covenants are subject to exceptions and qualifications set forth in the indenture.

Secured Notes

In connection with the closing of the merger on February 7, 2025, we entered into a note purchase agreement and issued $500 million in aggregate principal amount of first lien senior secured notes due October 2, 2028, at an annual interest rate of 11%, payable quarterly. These notes are guaranteed by our restricted subsidiaries and secured by the same collateral securing the Credit Facility. The agreement mandates redemption offers in certain situations, such as asset sales and unpermitted debt issuances, with specific redemption premiums applicable within the first two years. After two years, notes can be redeemed at par. The agreement also includes covenants limiting additional indebtedness, dividend payments, asset sales, investments, and liens, subject to certain exceptions and qualifications.

Credit Facility

On October 1, 2021, we entered into the Credit Agreement providing for a senior secured term loan facility in an aggregate principal amount of $1.945 billion (the "Term Loan Facility"), which will mature in 2028, and a senior secured revolving credit facility in an aggregate principal amount of $620.0 million (the "Revolving Credit Facility"), which will mature in 2026.

The credit facilities allow us to increase the size of the Term Loan Facility or request one or more incremental term loan facilities or increase commitments under the Revolving Credit Facility or add one or more incremental revolving facilities in an aggregate amount not to exceed the greater of $650 million and 100% of the Company's consolidated EBITDA for the most recent four-quarter period plus or minus certain amounts as specified in the Credit Agreement, including an unlimited amount subject to compliance with a consolidated total secured net leverage ratio.

The credit facilities contain covenants that limit the ability of the Company and its restricted subsidiaries to, among other things, incur additional indebtedness, pay dividends or make certain other restricted payments, sell assets, make certain investments, and grant liens. These covenants are subject to exceptions and qualifications set forth in the Credit Agreement. The Revolving Credit Facility also includes certain financial covenants the Company is required to maintain throughout the term of the credit facility. These financial covenants include a provision where, in the event borrowings under the Revolving Credit Facility exceed 30% of the total revolving commitment, the Company is required to maintain a first lien secured indebtedness to Adjusted EBITDA ratio of 5.00 to 1.00. As of December 31, 2024, the Company was in compliance with all applicable covenants.

During 2023, the Company entered into certain currency swaps to synthetically convert $500 million of its Term Loan Facility to an equivalent fixed-rate Euro-denominated instrument, due October 2028, with a weighted average fixed interest rate of approximately 6.69% per annum. The Company also entered into additional currency swaps to synthetically convert $200 million, notional, of its floating rate Term Loan Facility, to an equivalent GBP-denominated floating rate instrument, due October 2026. Additionally, as part of the Company's risk management program to manage its overall interest rate exposure, the Company entered into a notional aggregate amount of $500 million interest rate collar arrangements maturing in 2028 where the Company's SOFR floating rate interest under its Term Loan Facility is capped at 4.25%, with a weighted average SOFR floor rate of 3.22%, pursuant to the interest rate collar arrangements.

During 2024, the Company settled $500.0 million of notional interest rate collars and received $3.9 million in termination payments, reflecting the fair value on the settlement date. Additionally, the Company simultaneously entered into a series of interest rate contracts in a notional aggregate amount of $1.00 billion, to further manage the Company's exposure to interest rate movements associated with the Company's variable rate Term Loan Facility through its synthetic conversion to fixed rate debt. The tenor of these contracts were matched with the maturity of the Term Loan Facility tranche maturing on October 1, 2028.

Refer to Note 17 "Long-Term Debt" in Item 8 of this Annual Report on Form 10-K for further information.

Operating leases

The Company is committed under various operating lease agreements for real estate and property used in operations. Minimum rent payable under operating leases was $4.86 billion as of December 31, 2024, of which $199.7 million is due within the next twelve months. Refer to Note 18 "Leases" in Item 8 of this Annual Report on Form 10-K for further information.

GLPI leases

As of December 31, 2024, the Company's Bally's Evansville, Bally's Dover, Bally's Quad Cities, Bally's Black Hawk, Bally's Tiverton and Hard Rock Biloxi properties were leased under the terms of a master lease agreement (the "Master Lease No.1") with GLPI. The Master Lease No.1 has an initial term of 15 years and includes four, five-year options to renew and requires combined minimum annual payments of $100.5 million, subject to a minimum 1% annual escalation or greater escalation dependent on CPI.

In addition to the properties under the Master Lease No.1 explained above, the Company also entered into a lease with GLPI for the land associated with Tropicana Las Vegas. This lease has an initial term of 50 years (with a maximum term of 99 years with renewal options) at annual rent of $10.5 million, subject to minimum 1% annual escalation or greater escalation dependent on CPI. In 2024, the Company modified the lease and GLPI paid $48.6 million to the Company to fund the demolition of the building at the Tropicana Las Vegas site in exchange for increasing annual rent by $4.1 million, subject to a minimum 1% annual increase or greater based on CPI, for a total modified annual rent of $14.6 million.

In 2024, the Company completed the sale lease-back transaction of certain real property interests underlying Bally's Kansas City and Bally's Shreveport to GLPI for $394.8 million under the terms of a new master lease agreement (the "Master Lease No.2"), with an initial term of 15 years, including four, five-year options to renew and minimum annual payments of $32.2 million, subject to minimum 1 annual escalation or greater escalation dependent on CPI. The transaction was structured as a tax-free capital contribution and a substantial portion of the proceeds was used to reduce the Company's debt. Under the terms of the Master Lease No.2, the Company assigned its rights and obligations related to existing ground leases underlying the Bally's Kansas City and Bally's Shreveport properties to GLPI, while remaining responsible to GLPI for rent under these leases as additional charges. This resulted in the termination of the previous right of use assets and lease liabilities related to the land leases and a gain of $26.4 million. In connection with the sale of the Bally's Kansas City and Bally's Shreveport assets, the Company recorded a gain of $209.8 million representing the difference in the transaction price and the derecognition of assets.

In 2024, GLP acquired the real estate underlying the Bally's Chicago project, assuming the existing lease, for which the Company was subject to a $200.0 million financing obligation. Reclassifying the lease as an operating lease due to the transfer of control of the land asset from the Company to the lessor, permitted sale recognition, resulting in the Company derecognizing the $350.0 million land asset and the $200.0 million the long-term financing obligation, and recording a $150.0 million loss on sale-leaseback.

Additionally, the Company entered into a Binding Term Sheet to form a strategic construction and financing arrangement with GLP, which includes the funding to complete the construction of Bally's Chicago permanent casino. GLP will amend the existing land lease through a new master lease agreement with Bally's Chicago Operating Company, LLC ("Chicago MLA"). The Chicago MLA includes annual rent of $20 million, subject to customary escalation provisions. The Chicago MLA will also provide up to $940 million in construction financing, subject to conditions and approvals. The Company will pay additional rent under the Chicago MLA based on a 8.5% capitalization rate on funded amounts. The initial lease term for the Chicago MLA is 15 years with renewal options to be agreed upon by the parties.

Capital Expenditures

Capital expenditures are accounted for as either project, maintenance or capitalized software expenditures. Project capital expenditures are for fixed asset additions that expand an existing facility or create a new facility. Maintenance capital expenditures are expenditures to replace existing fixed assets with a useful life greater than one year that are obsolete, worn out or no longer cost effective to repair, along with spending on other small projects that do not fit into the project category. Capitalized software expenditures relate to the creation, production and preparation of software for use in our online gaming operations.

For the year ended December 31, 2024, capital expenditures were $199.8 million compared to $311.5 million in 2023. In 2024, we continued our spending on our planned projects and maintenance at our casino properties, the most significant being our future Bally's Chicago permanent facility. We expect that capital expenditures, outside of our planned development of the Bally's Chicago permanent facility, will be relatively flat in 2025 compared to 2024 as we continue our focus on generating cash flows to invest in long-term growth opportunities for the entire Bally's portfolio.

Bally's Twin River - In connection with our partnership with IGT, we have committed to invest $100 million in Bally's Twin River over the term of our master contract, ending in 2043, with Rhode Island to expand the property and add additional amenities along with other capital improvements. As a major component of this, we have constructed and opened a 14,000 square foot Korean-style spa, and a 40,000 square foot casino expansion, both of which opened in the first half of 2023. Approximately $45.1 million of the committed investment remains as of December 31, 2024.

Bally's Chicago - On June 9, 2022, a wholly-owned indirect subsidiary of the Company, Bally's Chicago Operating Company, LLC (the "Developer"), signed a host community agreement with the City of Chicago to develop a destination casino resort, to be named Bally's Chicago, in downtown Chicago, Illinois that will include approximately 3,400 slot machines, 170 table games, 10 food and beverage venues, 500 hotel rooms, a 65,000 square foot entertainment and event center, 20,000 square feet of exhibition space, 3,300 parking spaces and an outdoor green space. The project also provides the Company with the exclusive right to operate a temporary casino for up to three years while the permanent casino resort is constructed. The temporary casino commenced operations on September 9, 2023 at the Medinah Temple and includes approximately 800 gaming positions and 3 food and beverage venues. In 2024, we spent approximately $133.6 million related to the construction and development of our permanent casino and resort, which is expected to open to the public in 2026. We expect future funding of the permanent casino construction to be financed through the GPLI agreement noted above.

In connection with the entry into the host community agreement with the City of Chicago, the Company will be required to pay annual fixed host community impact fees of $4.0 million. Additionally, in connection with the host community agreement, the Company provided the City of Chicago with a performance guaranty whereby the Company agreed to have and maintain available financial resources in an amount reasonably sufficient to allow the Developer to complete its obligations under the host community agreement. In addition, upon notice from the City of Chicago that the Developer has failed to perform various obligations under the host community agreement, the Company has indemnified the City of Chicago against any and all liability, claim or reasonable and documented expense the City of Chicago may suffer or incur by reason of any nonperformance of any of the Developer's obligations.

In furtherance of these obligations, the host community agreement requires us to spend at least $1.34 billion on the design, construction and outfitting of our temporary casino and our permanent resort and casino. The actual cost of the development may exceed this minimum capital investment requirement. In addition, land acquisition costs and financing costs, among other types of costs, do not count towards satisfying such minimum expenditure.

Other Contractual Obligations

Sponsorship Commitments - The Company has entered into several sponsorship agreements with various professional sports leagues and teams, allowing the Company use of official league marks for branding and promotions, among other rights. As of December 31, 2024, obligations related to these agreements were 125.4 million, with contracts extending through 2036.

Interactive Technology Partnerships - The Company has certain multi-year agreements with its various market access and content providers, as well as its online sports betting platform partners, that require the Company to pay variable fees based on revenue, with minimum annual guarantees. As of December 31, 2024, the cumulative minimum obligation committed in these agreements is approximately 52.4 million, extending through 2029.

Critical Accounting Estimates

The preparation of our consolidated financial statements in accordance with US GAAP requires us to make estimates and apply judgments that affect reported amounts. These estimates and judgements are based on past events and/or expectations of future outcomes. Actual results may differ from our estimates. We discuss our significant accounting policies used in preparing the financial statements in Note 2 of our consolidated financial statements included in Part II, Item 8 of this Annual Report on Form 10-K. The following is a summary of our critical accounting estimates and how they are applied in preparation of our consolidated financial statements.

Goodwill and Intangible Assets

Assessing goodwill and indefinite-lived intangible assets for impairment is a process that involves significant judgment and requires a qualitative and quantitative analysis with many assumptions which fluctuate based on our business. We review goodwill and indefinite-lived intangible assets at least annually and between annual test dates if events or changes in circumstances indicate that it is more likely than not that the asset is impaired. We have elected to perform our annual tests for indications of impairment as of the first day of the fourth quarter of each year. The evaluation of goodwill and indefinite-lived intangible assets requires the use of estimates about future operating results of each reporting unit and asset to determine the estimated fair value of the reporting unit and the indefinite lived intangible assets. The Company must make various assumptions and estimates in performing its impairment testing, including assumptions and estimates about future cash flows. Changes in estimates and assumptions used in estimating future cash flows could produce significantly different results. If our ongoing estimates of future cash flows are not met, we may have to record impairment charges in future periods.

When assessing goodwill for impairment, first, qualitative factors are assessed to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. A qualitative impairment assessment involves analyzing relevant events and circumstances, with greater weight assigned to events and circumstances that most affect the fair value or the carrying amounts of a reporting unit's assets. Items that are generally considered include, but are not limited to, the following: macroeconomic conditions, industry and market conditions and overall financial performance. If the results of the qualitative assessment are not conclusive, a quantitative goodwill test is performed. For the quantitative goodwill impairment test, we estimate the fair value of the reporting unit using both income and market-based approaches. Specifically, the Company applies the discounted cash flow ("DCF") model under the income approach and the guideline company method under the market approach and weighs the results of the two valuation methodologies based on the facts and circumstances surrounding the reporting unit. For the DCF model, we rely on the present value of expected future cash flows, including terminal value, utilizing a market-based weighted average cost of capital ("WACC") determined separately for the reporting unit as of the valuation date. The determination of fair value under the DCF model involves the use of significant estimates and assumptions, including revenue growth rates driven by future gaming activity, operating margins, capital expenditures, working capital requirements, tax rates, terminal growth rates, and discount rates. For the market approach, we utilize a comparison of the reporting unit to comparable publicly-traded companies and transactions and, based on the observed earnings multiples, ultimately selects multiples to apply to the reporting unit. We then compare the fair value of our reporting units to the carrying amounts. If the carrying amount of the reporting unit exceeds the fair value, an impairment is recorded equal to the amount of the excess (not to exceed the amount of goodwill allocated to the reporting unit).

Assumptions and estimates about future cash flow levels and multiples by individual reporting units are complex and subjective. The Company continuously monitors for events and circumstances that could negatively impact the key assumptions in determining the fair value of goodwill, including long-term revenue growth projections, profitability, discount rates, external factors, such as industry, market and macro-economic conditions, and internal factors, such as changes in the Company's business strategy, which may re-allocate capital and resources to different or new opportunities but, in turn, may be to the detriment of an individual reporting unit.

The Company completed its annual assessment for goodwill impairment as of October 1, 2024, which resulted in no impairment charges to goodwill. Reporting units with goodwill which were identified as having less than a substantial cushion were subject to a sensitivity analysis to determine the potential impairment losses. The carrying value of the International Interactive reporting unit was 2.3 billion as of October 1, 2024 and the estimated fair value exceeded this amount by 12. The most sensitive inputs to the estimated fair value of the International Interactive reporting unit were the discount rate and terminal growth rate. A hypothetical 50 basis point increase in the WACC or a 50 basis point decline in the terminal growth rate would not have resulted in any impairment charge. Material changes in these estimates could occur and result in additional impairment in future periods.

Income Taxes

We prepare our income tax provision in accordance with Accounting Standards Codification ("ASC") 740, *Income Taxes.* Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statements carrying amounts of existing assets and liabilities and their respective tax basis and operating loss and tax credit carryforwards.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that the rate change is enacted. A valuation allowance is required when it is "more likely than not" that all or a portion of the deferred tax assets will not be realized. The consolidated financial statements reflect expected future tax consequences of uncertain tax positions presuming the taxing authorities' full knowledge of the position and all relevant facts. We assessed our deferred tax liabilities arising from taxable temporary differences and concluded such liabilities are not a sufficient source of income for the realization of deferred tax assets, including indefinite life taxable temporary differences which offset, subject to limitation, deferred tax assets with unlimited carryovers, such as the Section 163(j) interest limitation. Accordingly, the Company's valuation allowance of $234.6 million reflects an increase of $79.7 million recorded during the year ended December 31, 2024.

The allocation of shared costs and intangible assets among our subsidiaries in various U.S. domestic, state and international jurisdictions is an estimate based on the principles of IRC Section 482, 1060 and 338 which is a critical estimate in the computation of U.S. and international tax provisions.

The interpretation of the IRC regulations related to the Tax Cuts and Jobs Acts, as it pertains to Section 163(j), is a critical estimate in the computation of U.S. federal taxes, and conforming states.

Recently Issued Accounting Pronouncements

For a discussion of recently issued financial accounting standards, refer to Note 5 "Recently Issued Accounting Pronouncements," of Part II. Item 8 of this Annual Report on Form 10-K for further detail.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates and foreign currency exchange rates. We are exposed to changes in interest rates primarily from variable rate long-term debt arrangements and foreign currency risk attributable to our operations outside of the US. Inflation generally affects us by increasing our cost of labor. Bally's does not believe that inflation had a material effect on our business, financial condition or results of operations during the years ended December 31, 2024, 2023 or 2022.

Interest Rate Risk

As of December 31, 2024, interest on borrowings under our credit facility was subject to fluctuation based on changes in short-term interest rates. On December 31, 2024, we had $1.89 billion of variable rate debt outstanding under our Term Loan and Revolving Credit Facilities and $1.49 billion of unsecured senior notes. Based upon a sensitivity analysis of our debt levels on December 31, 2024, a hypothetical increase of 1% in the effective interest rate would cause an increase in interest expense of approximately $18.9 million over the next twelve months while a decrease of 1% in the effective interest rate, not to exceed the interest rate floor, would cause a decrease in interest expense of approximately $18.9 million over the same period.

We evaluate our exposure to market risk by monitoring interest rates in the marketplace and we have utilized derivative financial instruments to help manage this risk. As part of the Company's risk management and hedging program, the Company utilizes interest rate swaps and collars used to hedge and offset, respectively, the variable interest rates on the credit facility as described in Note 12, "Derivative Instruments" to our consolidated financial statements presented in Part II, Item 8 of this Annual Report on Form 10-K.

We have not historically utilized derivative financial instruments for trading purposes. We do not believe that fluctuations in interest rates had a material effect on our business, financial condition or results of operations during the years ended December 31, 2024, 2023 or 2022.

Foreign Currency Risk

We are exposed to fluctuations in currency exchange rates as a result of our net investments and operations in countries other than the US. A vast majority of our revenues are from the UK market and are conducted in GBP and are therefore susceptible to any movements in exchange rates between the GBP and USD. Foreign currency transaction gains for the year ended December 31, 2024 were $10.3 million, compared to foreign currency transaction losses for the year ended December 31, 2023 of $11.0 million. Movements in currency exchange rates could impact the translation of assets and liabilities of these foreign operations which are translated at the exchange rate in effect on the balance sheet date. We have utilized derivative financial instruments, such as cross currency swaps, as well as economic hedges or forward currency exchange rate contracts, to manage the impact of currency exchange rate fluctuations on earnings and cash flows.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements listed below are filed as part of this Annual Report on Form 10-K.

INDEX TO FINANCIAL STATEMENTS

	Page No.
Financial Statements:	
Report of Independent Registered Public Accounting Firm (PCAOB ID 34)	55
Consolidated Balance Sheets at December 31, 2024 and 2023	57
Consolidated Statements of Operations for the years ended December 31, 2024, 2023 and 2022	58
Consolidated Statements of Comprehensive Income (Loss) for the years ended December 31, 2024, 2023 and 2022	59
Consolidated Statements Stockholders' Equity for the years ended December 31, 2024, 2023 and 2022	60
Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023 and 2022	61
Notes to Consolidated Financial Statements	63

The accompanying audited consolidated financial statements of Bally's Corporation (and together with its subsidiaries, the "Company" or "Bally's") have been prepared in accordance with the instructions to Form 10-K and Regulation S-X and include all information and footnote disclosures necessary for complete financial statements in conformity with accounting principles generally accepted in the US ("US GAAP"). Financial statement schedules have been omitted because they are not applicable, or the required information is included in the consolidated financial statements or the notes thereto.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Bally’s Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Bally's Corporation and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 17, 2025, expressed an adverse opinion on the Company's internal control over financial reporting because of a material weakness.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill – International Interactive Reporting Unit – Refer to Notes 2 and 11 to the financial statements.

Critical Audit Matter Description

The Company’s goodwill is tested annually for impairment, or more frequently if indicators of impairment exist, by comparing the fair value of the respective reporting units to their carrying value. The Company determines the fair value of its reporting units in consideration of the income-based and market-based approaches. The key inputs in determining the fair value of the International Interactive reporting unit include expected cash flows and projected financial results, including forecasted revenues (collectively the “International Interactive forecasts”), the selection of the discount rate, and market multiples. As of December 31, 2024, the value of the International Interactive reporting unit goodwill is $1,451.3 million.

The Company’s fair value determination of its International Interactive reporting unit required management to make significant estimates and assumptions of International Interactive forecasts, discount rates, and market multiples. Therefore, performing audit procedures to evaluate the reasonableness of these estimates and assumptions involved a high degree of auditor judgment and increased extent of effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the International Interactive forecasts, discount rates, and market multiples used by management to estimate the fair value of the International Interactive reporting unit included the following, among others:

- We tested the effectiveness of controls over determining the fair value of the Company's International Interactive reporting unit, including controls over the International Interactive forecasts and the selection of discount rates and market multiples.
- We evaluated management's ability to accurately project the International Interactive forecasts by performing a retrospective review of actual results to management's historical forecasts.
- We evaluated the reasonableness of management's projected International Interactive forecasts by:
    - Comparing the International Interactive forecasts to information included in the Company's communications to the Board of Directors, industry reports, and analyst reports for the Company and certain of its peer companies;
    - Comparing the International Interactive forecasts to historical financial results;
    - Evaluating the impact of changes in the regulatory environment on management's forecasts;
    - Conducting inquiries with management; and
    - Evaluating whether the International Interactive forecasts were consistent with evidence obtained in other areas of the audit.
- With the assistance of our fair value specialists, we evaluated the reasonableness of the International Interactive discount rate and market multiples by:
    - Testing the inputs underlying the determination of the discount rate and testing the mathematical accuracy of the calculation;
    - Developing a range of independent estimates and comparing those to the discount rate selected by management;
    - Testing the source information underlying the determination of the market multiples; and
    - Developing a range of independent estimates and comparing those to the market multiples selected by management.

/s/ Deloitte & Touche LLP
New York, New York
March 17, 2025

We have served as the Company's auditor since 2015.

BALLY'S CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	December 31,	
	2024	**2023**
Assets		
Cash and cash equivalents	$ 171,233	$ 163,194
Restricted cash	60,021	152,068
Accounts receivable, net	55,486	70,328
Inventory	19,317	14,629
Tax receivable	26,345	62,215
Prepaid expenses and other current assets	115,471	108,096
Assets held for sale	—	1,815
Total current assets	447,873	572,345
Property and equipment, net	630,702	1,174,888
Right of use assets, net	1,544,936	1,160,288
Goodwill	1,799,944	1,935,803
Intangible assets, net	1,307,343	1,871,428
Deferred tax asset	2,309	36,034
Other assets	127,030	110,317
Total assets	$ 5,860,137	$ 6,861,103
Liabilities and Stockholders' Equity		
Current portion of long-term debt	$ 19,450	$ 19,450
Current portion of lease liabilities	65,827	54,842
Accounts payable	85,771	69,161
Accrued income taxes	25,468	78,301
Accrued and other current liabilities	481,292	651,719
Liabilities related to assets held for sale	—	1,307
Total current liabilities	677,808	874,780
Long-term debt, net	3,299,323	3,643,185
Long-term portion of financing obligation	—	200,000
Long-term portion of lease liabilities	1,554,479	1,148,407
Deferred tax liability	118,214	125,590
Other long-term liabilities	179,411	233,287
Total liabilities	5,829,235	6,225,249
Commitments and contingencies (Note 22)		
Stockholders' equity:		
Common stock ($0.01 par value; 200,000,000 shares authorized; 40,787,007 and 39,973,202 shares issued; 40,787,007 and 39,973,202 shares outstanding	408	400
Preferred stock ($0.01 par value; 10,000,000 shares authorized; no shares outstanding)	—	—
Additional paid-in-capital	1,414,410	1,400,479
Treasury stock, at cost, no shares outstanding as of December 31, 2024 and 2023	—	—
Accumulated deficit	(1,123,649)	(555,895)
Accumulated other comprehensive loss	(260,267)	(209,558)
Total Bally's Corporation stockholders' equity	30,902	635,426
Non-controlling interest	—	428
Total stockholders' equity	30,902	635,854
Total liabilities and stockholders' equity	$ 5,860,137	$ 6,861,103

The accompanying notes are an integral part of these consolidated financial statements.

BALLY'S CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	Years Ended December 31,		
	2024	**2023**	**2022**
Revenue:			
Gaming	$ 2,051,668	$ 1,992,041	$ 1,846,124
Non-gaming	398,810	457,032	409,581
Total revenue	2,450,478	2,449,073	2,255,705
Operating (income) costs and expenses:			
Gaming	934,063	888,937	812,918
Non-gaming	189,088	216,239	196,318
General and administrative	1,043,486	1,113,976	825,706
Gain on sale-leaseback, net	(86,254)	(374,321)	(50,766)
Impairment charges	248,879	149,825	463,978
Depreciation and amortization	379,544	350,408	300,559
Total operating costs and expenses	2,708,806	2,345,064	2,548,713
(Loss) income from operations	(258,328)	104,009	(293,008)
Other (expense) income:			
Interest expense, net	(289,629)	(277,561)	(208,153)
Other non-operating income (expense), net	(4,545)	(12,186)	46,692
Total other expense, net	(294,174)	(289,747)	(161,461)
Loss before income taxes	(552,502)	(185,738)	(454,469)
Provision (benefit) for income taxes	15,252	1,762	(28,923)
Net loss	$ (567,754)	$ (187,500)	$ (425,546)
Basic loss per share	$ (11.71)	$ (3.51)	$ (7.32)
Weighted average common shares outstanding, basic	48,468,887	53,350,817	58,111,699
Diluted loss per share	$ (11.71)	$ (3.51)	$ (7.32)
Weighted average common shares outstanding, diluted	48,468,887	53,350,817	58,111,699

The accompanying notes are an integral part of these consolidated financial statements.

BALLY'S CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)

	Years Ended December 31,		
	2024	**2023**	**2022**
Net loss	$ (567,754)	$ (187,500)	$ (425,546)
Other comprehensive income (loss):			
Foreign currency translation adjustments	(84,542)	118,781	(270,151)
Defined benefit pension plan adjustments, net of tax	860	542	1,320
Net unrealized derivative gain (loss) on cash flow hedges, net of tax	3,057	(11,246)	—
Net unrealized derivative gain (loss) on net investment hedges, net of tax	29,916	(21,995)	—
Other comprehensive (loss) income	(50,709)	86,082	(268,831)
Total comprehensive loss	$ (618,463)	$ (101,418)	$ (694,377)

The accompanying notes are an integral part of these consolidated financial statements.

BALLY'S CORPORATION
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except shares)

	Common Stock		Additional Paid-in Capital	Treasury Stock	Retained Earnings (Deficit)	Accumulated Other Comprehensive Loss	Non-controlling Interest	Total Stockholders' Equity
	Shares Outstanding	Amount						
Balance as of December 31, 2021	**52,254,477**	**$ 530**	**$1,849,068**	**$ (29,166)**	**$(181,581)**	**$ (26,809)**	**$ 3,760**	**$ 1,615,802**
Issuance of restricted stock and other stock awards	458,603	4	(5,957)	429	—	—	—	(5,524)
Share-based compensation	—	—	27,912	—	—	—	—	27,912
Retirement of treasury shares	—	(74)	(253,783)	182,103	71,754	—	—	—
Share repurchases (including tender offer)	(6,621,841)	—	—	(153,366)	—	—	—	(153,366)
Stock options exercised	20,000	—	86	—	—	—	—	86
Penny warrants exercised	383,934	4	—	—	—	—	—	4
Issuance of MKF penny warrants	—	—	12,010	—	—	—	—	12,010
Shares issued for purchase of SportCaller	107,832	1	3,699	—	—	—	—	3,700
Acquired non-controlling interest	67,052	1	3,331	—	—	—	(3,332)	—
Other comprehensive loss	—	—	—	—	—	(268,831)	—	(268,831)
Net loss	—	—	—	—	(425,546)	—	—	(425,546)
Balance as of December 31, 2022	**46,670,057**	**466**	**1,636,366**	**—**	**(535,373)**	**(295,640)**	**428**	**806,247**
Issuance of restricted stock and other stock awards	444,115	4	(2,762)	529	—	—	—	(2,229)
Share-based compensation	—	—	24,074	—	—	—	—	24,074
Retirement of treasury shares	—	(75)	(267,054)	99,153	166,978	—	—	(998)
Share repurchases	(7,581,428)	—	—	(99,081)	—	—	—	(99,081)
Penny warrants exercised	377,253	4	—	—	—	—	—	4
Issuance of MKF penny warrants	—	—	7,371	—	—	—	—	7,371
Settlement of consideration to SportCaller	103,656	1	1,883	—	—	—	—	1,884
Settlement of consideration - Bally's Interactive	(40,451)	—	601	(601)	—	—	—	—
Other comprehensive income	—	—	—	—	—	86,082	—	86,082
Net loss	—	—	—	—	(187,500)	—	—	(187,500)
Balance as of December 31, 2023	**39,973,202**	**400**	**1,400,479**	**—**	**(555,895)**	**(209,558)**	**428**	**635,854**
Issuance of restricted stock and other stock awards	723,990	7	(2,821)	—	—	—	—	(2,814)
Share-based compensation	—	—	14,752	—	—	—	—	14,752
Settlement of consideration	81,190	1	(178)	—	—	—	—	(177)
Acquired non-controlling interest	8,625	—	428	—	—	—	(428)	—
Other	—	—	1,750	—	—	—	—	1,750
Other comprehensive loss	—	—	—	—	—	(50,709)	—	(50,709)
Net loss	—	—	—	—	(567,754)	—	—	(567,754)
Balance as of December 31, 2024	**40,787,007**	**$ 408**	**$1,414,410**	**$ —**	**$(1,123,64**	**$ (260,267)**	**$ —**	**$ 30,902**

The accompanying notes are an integral part of these consolidated financial statements.

BALLY'S CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Years Ended December 31,		
	2024	**2023**	**2022**
Cash flows from operating activities:			
Net loss	$ (567,754)	$ (187,500)	$ (425,546)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization	379,544	350,408	300,559
Non-cash lease expense	58,727	56,945	32,438
Share-based compensation	14,752	24,074	27,912
Impairment charges	248,879	149,825	463,978
Amortization of debt discount and debt issuance costs	11,707	11,312	10,896
(Gain) loss on extinguishment of debt	—	(4,044)	—
Gain on sale-leaseback, net	(86,254)	(374,321)	(50,766)
Diamond Sports Group non-cash settlement	1,114	144,883	—
Loss on disposal of business	27,796	—	—
Deferred income taxes	23,947	(23,923)	(88,129)
Loss (gain) on assets and liabilities measured at fair value	(18,086)	1,180	(3,251)
Net loss (gain) on equity method investments	1,850	(4,255)	—
Change in value of performance warrants	13,965	7,716	(32,577)
Change in contingent consideration payable	1,343	1,024	(10,747)
Proceeds from interest rate contracts	15,312	—	—
Foreign exchange loss (gain)	(10,271)	11,019	(516)
Other operating activities	17,031	11,166	9,606
Changes in current operating assets and liabilities	(19,603)	13,105	37,114
Net cash provided by operating activities	113,999	188,614	270,971
Cash flows from investing activities:			
Cash paid for acquisitions, net of cash acquired	(788)	(93,900)	(146,317)
Proceeds from sale-leaseback transactions	388,000	411,000	150,000
Purchase of Bally's Chicago land	—	—	(200,000)
Advance deposit in connection with sale-leaseback transactions	—	—	200,000
Capital expenditures	(199,827)	(311,483)	(212,256)
Cash paid for capitalized software	(44,864)	(45,200)	(37,121)
Cash and cash equivalents transferred in sale of business	(4,178)	—	—
Restricted cash transferred in sale of business	(37,541)	—	—
Proceeds from net investment hedges	4,058	—	—
Acquisition of gaming licenses	(2,508)	(145,485)	(55,117)
Purchase of equity securities	—	—	(3,175)
Other intangible asset acquisitions	(929)	—	(665)
Other investing activities	(3,588)	(22,723)	1,729
Net cash provided by (used in) investing activities	97,835	(207,791)	(302,922)
Cash flows from financing activities:			
Issuance of long-term debt	440,000	448,000	597,000
Repayments of long-term debt	(794,450)	(280,070)	(564,450)
Deferred payables	73,709	—	—
Proceeds from Bally's Chicago land financing obligation	—	—	200,000
Payment of deferred consideration	(3,102)	—	(30,025)
Share repurchases	—	(99,081)	(153,366)
Other financing activities	(3,997)	(3,094)	(5,922)
Net cash (used in) provided by financing activities	(287,840)	65,755	43,237
Effect of foreign currency on cash and cash equivalents	(8,002)	5,153	(20,722)
Change in cash and cash equivalents and restricted cash classified as assets held for sale	—	(1,653)	(220)
Net change in cash and cash equivalents and restricted cash	(84,008)	50,078	(9,656)
Cash and cash equivalents and restricted cash, beginning of period	315,262	265,184	274,840
Cash and cash equivalents and restricted cash, end of period	$ 231,254	$ 315,262	$ 265,184

	Years Ended December 31,		
	2024	2023	2022
Supplemental disclosure of cash flow information:			
Cash paid for interest, net of amounts capitalized	$ 314,245	$ 249,510	$ 200,901
Cash received from income tax refunds, net of cash paid	2,230	14,444	(38,199)
Non-cash investing and financing activities:			
Unpaid property and equipment	$ 20,256	$ 22,397	$ 24,080
Unpaid internally developed software	5,419	1,891	—
Sale of business in exchange for note receivable	32,868	—	—
Bally's Chicago - land development liability	—	47,739	—
Investment in GLP Capital, L.P.	6,837	14,412	—
Investment in Rhode Island VLT Company, LLC	—	17,832	—
Non-controlling interest acquired	(428)	—	(3,332)
Net purchase consideration for acquisitions	—	58,580	—

	Years Ended December 31,		
	2024	2023	2022
Reconciliation of cash and cash equivalents and restricted cash:			
Cash and cash equivalents	$ 171,233	$ 163,194	$ 212,515
Restricted cash	60,021	152,068	52,669
Total cash and cash equivalents and restricted cash	$ 231,254	$ 315,262	$ 265,184

The accompanying notes are an integral part of these consolidated financial statements.

1. GENERAL INFORMATION

Bally's Corporation (the "Company," or "Bally's") is a global gaming, hospitality and entertainment company with casinos and resorts and online gaming ("iGaming") businesses. As of December 31, 2024, the Company owns and manages the following properties within its Casinos & Resorts reportable segment:

Casinos and Resorts	Location	Type	Built/ Acquired
Bally's Twin River Lincoln Casino Resort ("Bally's Twin River")	Lincoln, Rhode Island	Casino and Resort	2004
Bally's Arapahoe Park	Aurora, Colorado	Racetrack/OTB Site	2004
Hard Rock Hotel & Casino Biloxi ("Hard Rock Biloxi")[2]	Biloxi, Mississippi	Casino and Resort	2014
Bally's Tiverton Casino & Hotel ("Bally's Tiverton")[2]	Tiverton, Rhode Island	Casino and Hotel	2018
Bally's Dover Casino Resort ("Bally's Dover")[2]	Dover, Delaware	Casino, Resort and Raceway	2019
Bally's Black Hawk ("Bally's Black Hawk")[1][2]	Black Hawk, Colorado	Three Casinos	2020
Bally's Kansas City Casino ("Bally's Kansas City")[2]	Kansas City, Missouri	Casino	2020
Bally's Vicksburg Casino ("Bally's Vicksburg")	Vicksburg, Mississippi	Casino and Hotel	2020
Bally's Atlantic City Casino Resort ("Bally's Atlantic City")	Atlantic City, New Jersey	Casino and Resort	2020
Bally's Shreveport Casino & Hotel ("Bally's Shreveport")[2]	Shreveport, Louisiana	Casino and Hotel	2020
Bally's Lake Tahoe Casino Resort ("Bally's Lake Tahoe")	Lake Tahoe, Nevada	Casino and Resort	2021
Bally's Evansville Casino & Hotel ("Bally's Evansville")[2]	Evansville, Indiana	Casino and Hotel	2021
Bally's Quad Cities Casino & Hotel ("Bally's Quad Cities")[2]	Rock Island, Illinois	Casino and Hotel	2021
Bally's Chicago Casino ("Bally's Chicago")[3]	Chicago, Illinois	Casino	2023
Bally's Golf Links at Ferry Point ("Bally's Golf Links")	Bronx, New York	Golf Course	2023

(1) Includes Bally's Black Hawk North Casino, Bally's Black Hawk West Casino and Bally's Black Hawk East Casino.
(2) Properties leased from Gaming and Leisure Properties, Inc. ("GLPI"). Refer to Note 18 "Leases" for further information.
(3) Temporary casino facility as a permanent casino resort is being constructed. Site of future permanent casino resort is leased from GLPI.

The Company's International Interactive reportable segment includes the Company's interactive European gaming operations, the Company's global licensing revenue generating operations, as well as one casino property, Bally's Newcastle, in the UK.

The North America Interactive reportable segment portfolio of sports betting, iGaming, and free-to-play gaming brands.

Agreement and Plan of Merger

On July 25, 2024, the Company entered into an Agreement and Plan of Merger (as amended, the "Merger Agreement") with SG Parent LLC, a Delaware limited liability company ("Parent"), The Queen Casino & Entertainment, Inc., a Delaware corporation and affiliate of Parent ("Queen"), Epsilon Sub I, Inc., a Delaware corporation and wholly owned subsidiary of the Company ("Merger Sub I"), Epsilon Sub II, Inc., a Delaware corporation and wholly owned subsidiary of the Company ("Merger Sub II", and together with the Company and Merger Sub I, the "Company Parties"), and, solely for purposes of specified provisions thereof, SG CQ Gaming LLC, a Delaware limited liability company ("SG Gaming" and together with Parent and Queen, the "Buyer Parties").

The Merger Agreement provides, among other things and on the terms and subject to the conditions therein, in connection with the closing of the transaction, (i) SG Gaming will contribute to the Company all shares of common stock of Queen that it owns (the "Queen Share Contribution") in exchange for 26,909,895 shares of common stock of the Company ("Company Common Stock") based on a 2.45368905950 share exchange ratio, (ii) the Company will issue approximately 3,542,205 shares of Company Common Stock to the other stockholders of Queen, (iii) immediately thereafter, Merger Sub I will merge into the Company (the "Company Merger"), with the Company surviving the Company Merger and (iv) immediately thereafter, Merger Sub II will merge into Queen (the "Queen Merger," and together with the Company Merger, the "Mergers"), with Queen surviving the Queen Merger as a direct, wholly owned subsidiary of the Company.

At the effective time of the Merger, each share of the Company's Common Stock issued and outstanding (other than shares of common stock owned by (i) the Company or any of its wholly owned subsidiaries, (ii) Parent or any of Parent's affiliates, (iii) by holders exercising statutory appraisal rights; (iv) by SG Gaming following the Queen Share Contribution; or (v) by holders who have elected to have such shares remain issued and outstanding following the Company Merger (a "Rolling Share Election")) will be converted into the right to receive cash consideration equal to $18.25 per share of common stock (the "Per Share Price"). Each holder of shares of Company Common Stock (other than the Company or its subsidiaries) will have the option to make a Rolling Share Election.

Concurrently with the Merger Agreement, the Company and Parent entered into support agreements with Standard RI Ltd. ("SRL") (the "SG Support Agreement"), SBG Gaming, LLC, a designated subsidiary of Sinclair ("SBG") (the "SBG Support Agreement"), and Noel Hayden (the "Hayden Support Agreement"), collectively known as the "Support Agreements". The Support Agreements obligate the parties to vote their respective shares in favor of the Merger Agreement and related transactions, and to make a Rolling Share Election for their shares, including those acquired through options or warrants. Additionally, under the SBG Support Agreement, SBG agreed to waive its right to the options it previously acquired under the Framework Agreement, as described in Note 15, "Strategic Partnership - Sinclair Broadcast Group", upon completion of the Merger, and in exchange, the Company will issue SBG warrants to purchase 384,536 shares of the Company's common stock under substantially similar terms to the Penny Warrants issued to SBG under the Framework Agreement.

On February 7, 2025, the Company completed the above transactions with the Buyer Parties. Refer to Note 25 "Subsequent Events" for further information.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and include the accounts of the Company, its majority-owned subsidiaries and entities the Company identifies as variable interest entities ("VIEs"), of which the Company is determined to be the primary beneficiary. All intercompany balances and transactions have been eliminated in consolidation. Certain prior year amounts have been reclassified to conform to the current year's presentation. The financial statements of our foreign subsidiaries are translated into US Dollars ("USD") using exchange rates in effect at period-end for assets and liabilities and average exchange rates during each reporting period for results of operations. Adjustments resulting from financial statement translations are reflected as a separate component of accumulated other comprehensive income (loss). Foreign currency transaction gains and losses are included in net income (loss).

Equity Method Investments

In 2024, in connection with the disposal of its Asia Interactive Business, the Company acquired penny warrants that represent a 19.99 fully-diluted interest in the Buyer, as defined in Note 8 "Dispositions", for approximately 1.9 million. The Company accounts for this interest as an equity method investment given the Company's ability to exercise significant influence over, but not control, the counterparty to the agreement. Refer to Note 8 "Dispositions" for further information.

In 2023, the Company and International Game Technology PLC ("IGT") contributed certain tangible assets and leases to Rhode Island VLT Company, LLC (the "RI Joint Venture") in exchange for equity interests of the RI Joint Venture. The Company contributed video lottery terminals ("VLTs") and player tracking equipment to the joint venture for a 40% equity interest of the RI Joint Venture. The 40% ownership in the joint venture qualifies for equity method accounting. In addition to this joint venture, the Company also has other investments in unconsolidated subsidiaries, which are accounted for using equity method accounting.

The Company records its share of net income or loss from equity method investments within "Other non-operating income, net" in the consolidated statements of operations. During the years ended December 31, 2024 and 2023, the Company recorded (loss) income from equity method investments of $(1.9) million and $4.3 million, respectively. There was no income or loss from equity method investments recorded by the Company during the year ended December 31, 2022.

Variable Interest Entities

The Company evaluates entities for which control is achieved through means other than voting rights to determine if it is the primary beneficiary of a VIE. An entity is a VIE if it has any of the following characteristics (i) has insufficient equity to permit the entity to finance its activities without additional subordinated financial support (ii) equity holders, as a group, lack the characteristics of a controlling financial interest or (iii) the entity is structured with non-substantive voting rights. The primary beneficiary of the VIE is generally the entity that has (a) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and (b) the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE. The Company consolidates its investment in a VIE when it determines that it is its primary beneficiary.

In determining whether it is the primary beneficiary of the VIE, the Company considers qualitative and quantitative factors, including, but not limited to: which activities most significantly impact the VIE's economic performance and which party controls such activities and significance of the Company's investment and other means of participation in the VIE's expected profits/losses. Significant judgments related to these determinations include estimates about the current and future fair values and performance of assets held by these VIEs and general market conditions.

Management has analyzed and concluded that a trust, that was established in connection with the disposal of the Asia Interactive Business, is a VIE that will be consolidated based on the applicable criterion. Refer to Note 8, "Dispositions" for further information.

As of December 31, 2024 and 2023, consolidated VIEs had total assets of $263.9 million and $161.3 million, respectively, and total liabilities of $27.9 million and $87.7 million, respectively. Consolidated VIEs had total revenues of $169.8 million, $293.3 million and $298.1 million for the years ended December 31, 2024, 2023 and 2022, respectively.

The Company may change its original assessment of a VIE upon subsequent events such as the modification of contractual arrangements that affect the characteristics or adequacy of the entity's equity investments at risk and the disposition of all or a portion of an interest held by the primary beneficiary. The Company performs this analysis on an ongoing basis.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with US GAAP requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and revenues and expenses and related disclosures of contingent assets and liabilities. On an ongoing basis, the Company evaluates its estimates and judgments including those related to contingent value rights, the allowance for credit losses, valuation of goodwill and intangible assets, recoverability and useful lives of tangible and intangible long-lived assets, accruals for potential liabilities related to any lawsuits or claims brought against the Company, fair value of financial instruments, capitalized software development costs, stock compensation and valuation allowances for deferred tax assets. The Company bases its estimates and judgments on historical experience and other relevant factors impacting the carrying value of assets and liabilities. Actual results may differ from these estimates.

Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents includes cash balances and highly liquid investments with an original maturity of three months or less. Restricted cash includes player deposits, payment service provider deposits, cash collateral in connection with amounts previously due to the Chicago Tribune (refer to Note 10 "Property and Equipment"), and VLT and table games related cash payable to certain states where we operate, which are unavailable for the Company's use.

Concentrations of Credit Risk

The Company's financial instruments which potentially expose the Company to concentrations of credit risk consisted of cash and cash equivalents and trade receivables. The Company maintains cash with financial institutions in excess of federally insured limits, however, management believes the credit risk is mitigated by the quality of the institutions holding such deposits.

Accounts Receivable, Net

Accounts receivable, net consists of the following:

	December 31,	
(in thousands)	**2024**	**2023**
Accounts due from Rhode Island and Delaware[(1)]	$ 14,135	$ 13,028
Gaming receivables	20,700	26,127
Non-gaming receivables	27,803	37,221
Accounts receivable	62,638	76,376
Less: Allowance for credit losses	(7,152)	(6,048)
Accounts receivable, net	$ 55,486	$ 70,328

(1) Represents the Company's share of revenue due from the State of Rhode Island and State of Delaware.

An allowance for credit losses is determined to reduce the Company's receivables for amounts that may not be collected. The allowance is estimated based on historical collection experience, current economic and business conditions and forecasts that affect the collectability and review of individual customer accounts and any other known information. Activity for the allowance for credit losses is as follows:

	December 31,		
(in thousands)	**2024**	**2023**	**2022**
Balance at beginning of year	$ 6,048	$ 5,789	$ 4,454
Charges to expense	1,990	1,250	1,649
Deductions	(886)	(991)	(602)
Other adjustments	—	—	288
Balance at end of year	$ 7,152	$ 6,048	$ 5,789

Inventory

Inventory is stated at the lower of cost or net realizable value on a first-in, first-out basis and consists primarily of food, beverage, promotional items and other supplies.

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation and impairment losses, if applicable. Expenditures for renewals and betterments that extend the life or value of an asset are capitalized and expenditures for repairs and maintenance are charged to expense as incurred. The costs and related accumulated depreciation applicable to assets sold or disposed of are removed from the balance sheet accounts and the resulting gains or losses are reflected in the consolidated statements of operations. Depreciation is recorded using the straight-line method over the estimated useful lives of the assets or the related lease term, if any, as follows:

	Years
Land improvements	10-20
Building and improvements	2-50
Equipment	2-10
Furniture and fixtures	2-10

Development costs directly associated with the acquisition, development and construction of a project are capitalized as a cost of the project during the periods in which activities necessary to prepare the property for its intended use are in progress. Interest costs associated with major construction projects are capitalized as part of the cost of the constructed assets. When no debt is incurred specifically for a project, interest is capitalized on amounts expended for the project using the weighted average cost of borrowing. Capitalization of interest ceases when the project (or discernible portions of the project) is substantially complete. If substantially all of the construction activities of a project are suspended, capitalization of interest will cease until such activities are resumed. During the years ended December 31, 2024, 2023 and 2022, there was $8.0 million, $13.6 million and $1.9 million of capitalized interest, respectively.

Leases

The Company determines if a contract is or contains a lease at the contract inception date or the date in which a modification of an existing contract occurs. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. Control over the use of the identified asset means the lessee has both (i) the right to obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use and (ii) the right to direct the use of the identified asset.

Upon adoption of Accounting Standards Codification ("ASC") 842, *Leases*, ("ASC 842") the Company elected to account for lease and non-lease components as a single component for all classes of underlying assets. Additionally, the Company elected to not recognize short-term leases (defined as leases that are less than 12 months and do not contain purchase options) within the consolidated balance sheets.

The Company recognizes a lease liability for the present value of lease payments at the lease commencement date using its incremental borrowing rate commensurate with the lease term based on information available at the commencement date unless the rate implicit in the lease is readily determinable.

Certain of the Company's leases include renewal options and escalation clauses; renewal options are included in the calculation of the lease liabilities and right of use assets when the Company determines it is reasonably certain to exercise the options. Variable expenses generally represent the Company's share of the landlord's operating expenses and consumer price index ("CPI") increases. Rent expense associated with the Company's long and short term leases and their associated variable expenses are reported in total operating costs and expenses within the consolidated statements of operations.

Goodwill

Goodwill consists of the excess of acquisition costs over the fair value of net assets acquired in business combinations. Goodwill is not amortized, but is reviewed for impairment annually as of October 1st, or when events or changes in the business environment indicate that the carrying value of the reporting unit may exceed its fair value, by comparing the fair value of each reporting unit to its carrying value, including goodwill.

When assessing goodwill for impairment, first, qualitative factors are assessed to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. Items that are considered in the qualitative assessment include, but are not limited to, the following: macroeconomic conditions, industry and market conditions and overall financial performance. If the results of the qualitative assessment indicate it is more likely than not that a reporting unit's carrying value exceeds its fair value, or if the Company elects to bypass the qualitative assessment, a quantitative goodwill test is performed.

Intangible Assets

The Company's intangible assets primarily consist of customer relationships, developed technology, internally developed software, gaming licenses and trade names. The Company also has a commercial rights intangible asset obtained through the Framework Agreement (as defined herein). Refer to Note 15 "Strategic Partnership - Sinclair Broadcast Group" for further information regarding the Sinclair Broadcast Group ("Sinclair") commercial rights.

For its finite-lived intangible assets, the Company establishes a useful life upon initial recognition based on the period over which the asset is expected to contribute to the future cash flows of the Company and periodically evaluates the remaining useful lives to determine whether events and circumstances warrant a revision to the remaining amortization period. Finite-lived intangible assets are amortized over their remaining useful lives in a pattern in which the economic benefits of the intangible asset are consumed, which is generally on a straight-line basis. The Company reviews the carrying amount of its finite-lived intangible assets for possible impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Should events and circumstances indicate finite-lived intangible assets may not be recoverable, the Company performs a test for recoverability whereby estimated undiscounted cash flows are compared to the carrying values of the assets. Should the estimated undiscounted cash flows exceed the carrying value, no impairments are recorded. If the undiscounted cash flows do not exceed the carrying values, an impairment is recorded based on the fair value of the asset.

Customer Relationships - The Company considers customer relationships to be finite-lived intangible assets, which are amortized over their estimated useful lives, and are recognized as the result of a business combination.

Developed Technology - Developed technology relates to the design and development of sports betting and casino gaming software and online gaming products acquired through the Company's acquisitions of the businesses within the International Interactive and North America Interactive segments. Developed technology is considered to be a finite-lived intangible asset, which are amortized over their estimated useful lives, which is generally between three to 10 years.

Internally Developed Software - Software that is developed for internal use is accounted for pursuant to ASC 350-40, *Intangibles, Goodwill and Other - Internal-Use Software*. Qualifying costs incurred to develop internal-use software are capitalized when (i) the preliminary project stage is completed, (ii) management has authorized further funding for the completion of the project and (iii) it is probable that the project will be completed and perform as intended. These capitalized costs include compensation for employees who develop internal-use software and external costs related to development of internal use software. Capitalization of these costs ceases once the project is substantially complete and the software is ready for its intended purpose. Once placed into service, internally developed software is amortized on a straight-line basis over its estimated useful life, which is generally five years. All other expenditures, including those incurred in order to maintain an intangible asset's current level of performance, are expensed as incurred.

Gaming Licenses and Trade Names - Certain gaming licenses and trade names classified as finite-lived are amortized over their estimated useful lives. The Company also has certain gaming licenses, including its VLT licenses, and trade names, which are considered to be indefinite lived based on future expectations of operating its gaming properties indefinitely, continuing to brand its corporate name and certain properties under the Bally's trade name indefinitely and continuing to indefinitely brand its online casino offerings within the International Interactive segment with the trade names acquired through the Gamesys acquisition. Intangible assets not subject to amortization are reviewed for impairment annually as of October 1 and between annual test dates whenever events or changes in circumstances may indicate that the carrying amount of the related asset may exceed its fair value.

Refer to Note 11 "Goodwill and Intangible Assets" for further information.

Long-lived Assets

The Company reviews its long-lived assets, other than goodwill and intangible assets not subject to amortization, for indicators of impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If an asset is still under development, the analysis includes the remaining construction costs. If the carrying value of the asset exceeds the expected undiscounted future cash flows generated by the asset, the asset is written down to its estimated fair value and an impairment loss is recognized.

Deferred Payables

In order to execute on its strategy of improving working capital efficiency, the Company will, from time to time, participate in trade finance or deferred payable initiatives, including programs that may extend trade terms with certain suppliers or vendors. In certain cases, where the Company is not able to extend payment terms directly with suppliers or vendors, the Company will consider deferred payable solutions that simulate such trade term extensions. These solutions generally involve entering into exchange agreements with intermediary institutions who will make payment to the supplier or vendor within the original terms on behalf of the Company, in exchange for a new bill with terms that conforms to the Company's payment policy of net 90 days. The Company will then pay the new bill to the intermediary institutions, inclusive of any embedded premium, which the Company records as "Interest expense, net," within three months or less.

During the year ended December 31, 2024, the Company borrowed $239.1 million, under these deferred payable arrangements and repaid $165.4 million. Amounts outstanding under these deferred payable arrangements were $72.8 million as of December 31, 2024 and are included in "Accrued and other current liabilities" on the consolidated balance sheets. For the year ended December 31, 2024, the Company incurred $6.4 million of interest expense, under these arrangements. These arrangements were not utilized by the Company during the years ended December 31, 2023 and 2022.

Debt Issuance Costs and Debt Discounts

Debt issuance costs and debt discounts incurred by the Company in connection with obtaining and amending financing have been included as a component of the carrying amount of debt in the consolidated balance sheets. Debt issuance costs and debt discounts are amortized over the contractual term of the debt to interest expense. Debt issuance costs of the revolving credit facility are amortized on a straight-line basis, while all other debt issuance costs and debt discounts are amortized using the effective interest method. Amortization of debt issuance costs and debt discounts included in "Interest expense" in the consolidated statements of operations was $11.7 million, $11.3 million and $10.9 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Self-Insurance Reserves

The Company is self-insured for employee medical insurance coverage, general liability and workers' compensation up to certain stop-loss amounts. Self-insurance liabilities are estimated based on the Company's claims experience using actuarial methods to estimate the future cost of claims and related expenses that have been reported but not settled and that have been incurred but not yet reported. The self-insurance liabilities are included in "Accrued and other current liabilities" in the consolidated balance sheets and were $23.9 million and $21.0 million as of December 31, 2024 and 2023, respectively.

Defined Contribution Plans

The Company operates defined contribution plans covering its non-union employees and certain union employees. The plans allow for employee salary deferrals, which are matched at the Company's discretion. Total employer contribution expense attributable to defined contribution plans was $10.3 million, $8.5 million and $7.1 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Dover Downs Defined Benefit Pension Plan

The Company sponsors a non-contributory, tax qualified defined benefit pension plan that has been frozen since July 2011. As of December 31, 2024 and 2023, the benefit obligation was $16.1 million and $16.9 million, respectively, and the fair value of plan assets were $17.2 million and $16.5 million, respectively. The Company did not make any contributions to the plan during the year ended December 31, 2024 and does not expect to contribute in 2025. Net periodic benefit income and total income recognized in other comprehensive loss for the year ended December 31, 2024 were $0.4 million and $1.2 million, respectively. Amounts relating to the plan recognized in the consolidated balance sheets as of December 31, 2024 and 2023 consist of non-current assets of $1.1 million and non-current liabilities of $0.5 million, respectively.

During the year ended December 31, 2023, a settlement was recognized under the Dover Downs Defined Benefit Pension Plan as the total amount of lump sum benefit payments was greater than the sum of the service and interest costs for the fiscal year. The settlement reduced the Company's benefit obligation by $3.4 million and reduced total income recognized in other comprehensive income for the year by $0.2 million.

Share-Based Compensation

The Company accounts for its share-based compensation in accordance with ASC 718, *Compensation - Stock Compensation* ("ASC 718"). The Company has two share-based employee compensation plans, which are described more fully in Note 19 "Equity Plans." Share-based compensation consists of stock options, time-based restricted stock units ("RSUs"), restricted stock awards ("RSAs") and performance-based restricted stock units ("PSUs"). The grant date closing price per share of the Company's stock is used to estimate the fair value of RSUs and RSAs. Stock options are granted at exercise prices equal to the fair market value of the Company's stock at the dates of grant. The Company recognizes share-based compensation expense on a straight-line basis over the requisite service period of the individual grants. PSUs vest, when and if earned, in accordance with the terms of the related PSU award agreements. The Company recognizes share-based compensation expense based on the target number of shares of common stock that may be earned pursuant to the award and the Company's stock price on the date of grant and subsequently adjusts expense based on actual and forecasted performance compared to planned targets. Forfeitures are recognized as reductions to share-based compensation when they occur.

Warrant/Option Liabilities

The Company accounts for Penny Warrants and Options in accordance with ASC 815-40, *Contracts in an Entity's Own Equity*. The Penny Warrants and Options are classified in equity because they are indexed to the Company's own stock and meet all conditions for equity classification. The Performance Warrants are accounted for as a derivative liability in accordance with ASC 815, *Derivatives and Hedging* ("ASC 815") because the underlying performance metrics represent an adjustment to the settlement amount that is not indexed to the Company's own stock and thus equity classification is precluded under ASC 815. The Performance Warrants are marked to market each reporting period, with changes in fair value recorded in "Other non-operating income (expense), net" in the consolidated statements of operations. Refer to Note 15 "Strategic Partnership - Sinclair Broadcast Group" for further information.

Sequencing Policy

Under ASC 815-40-35, the Company has adopted a sequencing policy to determine equity or asset/liability classification for contracts involving the Company's own equity that require cash settlement if sufficient shares are not available to settle the contracts in equity. Under this policy, the Company has elected to allocate available shares to contracts based on the order in which they become exercisable.

Revenue

The Company accounts for revenue earned from contracts with customers under ASC 606, *Revenue from Contracts with Customers* ("ASC 606"). The Company generates revenue from four principal sources: gaming (which includes retail gaming, online gaming, sports betting and racing), hotel, food and beverage, licensing and retail, entertainment and other. Refer to Note 6 "Revenue Recognition" for further information.

Gaming Expenses

Gaming expenses include, among other things, payroll costs and expenses associated with the operation of VLTs, slots and table games, including gaming taxes payable to jurisdictions in which the Company operates outside of Rhode Island and Delaware, and certain marketing costs directly associated with the Company's iGaming products and services. Gaming expenses also include racing expenses comprised of payroll costs, off track betting ("OTB") commissions and other expenses associated with the operation of live racing and simulcasting.

Advertising Expenses

The Company expenses advertising costs as incurred. Advertising expenses, including production and agency fees of campaigns, for the years ended December 31, 2024, 2023 and 2022, advertising expense was $12.2 million, $19.0 million and $26.8 million, respectively, are included in "General and administrative" on the consolidated statements of operations. Additionally, the Company incurred certain advertising and marketing costs directly associated with the Company's iGaming products and services of $170.1 million, $178.7 million and $174.7 million during the years ended December 31, 2024, 2023 and 2022, respectfully. These costs are included within Gaming expenses in the consolidated statements of operations.

Interest Expense, Net

Interest expense, net is comprised of interest costs for the Company's debt, amortization of debt issuance costs and debt discounts, interest costs associated with the Company's deferred payable arrangements, net of interest income earned on the note receivable (refer to Note 8, Dispositions), amounts capitalized for construction projects, realized changes in fair value relating to interest rate derivative contracts designated as cash flow hedges, and lease payments associated with the Company's financing obligation during the years ended December 31, 2023 and 2022.

Income Taxes

The Company prepares its income tax provision in accordance with ASC 740, *Income Taxes*. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that the rate change is enacted. A valuation allowance is required when it is "more likely than not" that all or a portion of the deferred taxes will not be realized. The consolidated financial statements reflect expected future tax consequences of uncertain tax positions presuming the taxing authorities' full knowledge of the position and all relevant facts.

Loss Per Share

Basic loss per common share is calculated in accordance with ASC 260, *Earnings Per Share*, which requires entities that have issued securities other than common stock that participate in dividends with common stock ("participating securities") to apply the two-class method to compute basic loss per common share. The two-class method is an earnings allocation method under which basic loss per common share is calculated for each class of common stock and participating security as if all such earnings had been distributed during the period. To calculate basic loss per share, the earnings allocated to common shares is divided by the weighted average number of common shares outstanding, contingently issuable warrants and RSUs, RSAs and PSUs for which no future service is required as a condition to the delivery of the underlying common stock (collectively, basic shares).

Foreign Currency

The Company's functional currency is the US Dollar ("USD"). Foreign subsidiaries with a functional currency other than USD translate assets and liabilities at current exchange rates at the end of the reporting periods, while income and expense accounts are translated at average exchange rates for the respective periods. Translation adjustments resulting from this process are recorded to other comprehensive income (loss). Gains or losses from foreign currency remeasurements that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are included in "Other non-operating income (expense), net" on the consolidated statements of operations.

Comprehensive Income (Loss)

Comprehensive income (loss) includes changes in equity that result from transactions and economic events from non-owner sources. Comprehensive income (loss) consists of net income (loss), changes in defined benefit pension plan, net of tax, foreign currency translation adjustments and unrealized gains (losses) relating to cash flow and net investment hedges, net of tax.

Treasury Stock

The Company records the repurchase of shares of common stock at cost based on the settlement date of the transaction. These shares are classified as treasury stock, which is a reduction to stockholders' equity. Treasury stock is included in authorized and issued shares but excluded from outstanding shares.

Business Combinations

The Company accounts for its acquisitions in accordance with ASC 805, *Business Combinations*. The Company initially allocates the purchase price of an acquisition to the assets acquired and liabilities assumed based on their estimated fair values, with any excess of consideration transferred recorded as goodwill. If the estimated fair value of net assets acquired and liabilities assumed exceeds the purchase price, the Company records a gain on bargain purchase in earnings in the period of acquisition. The results of operations of acquisitions are included in the consolidated financial statements from their respective dates of acquisition. Costs incurred to complete the business combination such as investment banking, legal and other professional fees are not considered part of consideration and are charged to general and administrative expense as they are incurred.

Segments

Operating segments are identified as components of an enterprise that engage in business activities from which it recognizes revenues and expenses, and for which discrete financial information is available and regularly reviewed by the chief operating decision-maker in making decisions regarding resource allocation and assessing performance.

Fair Value Measurements

Fair value is determined using the principles of ASC 820, *Fair Value Measurement*. Fair value is described as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy prioritizes and defines the inputs to valuation techniques as follows:

- Level 1: Observable quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2: Inputs are observable for the asset or liability either directly or through corroboration with observable market data.
- Level 3: Unobservable inputs.

The inputs used to measure the fair value of an asset or a liability are categorized within levels of the fair value hierarchy. The fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the measurement.

Derivative Instruments Designated as Hedging Instruments

Cross Currency Swaps - The Company uses fixed-to-fixed cross-currency swap agreements to hedge its exposure to adverse foreign currency exchange rate movements for its foreign operations. The Company has elected the spot method for designating these contracts as net investment hedges. These derivative arrangements qualify as net investment hedges under ASC 815, *Derivatives and Hedging* ("ASC 815"), with the gain or loss resulting from changes in the spot value of the derivative reported in other comprehensive income (loss) with amounts reclassified out of other comprehensive income (loss) into earnings when the hedged net investment is either sold or substantially liquidated. Refer to Note 12 "Derivative Instruments" for further information.

Interest Rate Contracts - The Company uses interest rate derivatives to hedge its exposure to variability in cash flows on its floating-rate debt to add stability to interest expense and manage its exposure to interest rate movements. The Company's interest rate swaps and collars are designated as cash flow hedges under ASC 815, with changes in the fair value reported in other comprehensive income (loss) and reclassified into "Interest expense, net" in the consolidated statements of operations in the same period in which the hedged interest payments associated with the Company's borrowings are recorded. Refer to Note 12 "Derivative Instruments" for further information.

3. RELATED PARTY TRANSACTIONS

In the fourth quarter of 2024, the Company completed the sale of portions of its international interactive business in Asia and certain other international markets in its International Interactive reportable segment (the "Carved-Out Business") to a company (the "Buyer") formed by members of management of the Carved-Out Business (refer to Note 8, "Dispositions"). The Company purchased a warrant, representing a 19.99 fully diluted equity interest in the Carved-Out Business, which as a result is an unconsolidated entity accounted for under the equity method and is considered to be a related party under ASC 850. Revenues generated from this equity method investee are included in "Non-gaming revenue" and were $6.9 million for the year ended December 31, 2024. Receivables from this equity method investee are included in Accounts receivable, net and were $1.1 million as of December 31, 2024.

In connection with the disposal of the Carved-Out Business, the Company entered into a seven-year term loan with the Buyer for a principal amount of €30 million, subject to applicable interest. As of December 31, 2024, the Company has a loan receivable of approximately $31.2 million included in Other assets within the consolidated balance sheets, and has recorded interest income of $0.5 million included within Interest expense, net in the consolidated statements of operations during the year ended December 31, 2024.

4. CONSOLIDATED FINANCIAL INFORMATION

General and Administrative Expense

Amounts included in General and administrative expense for the years ended December 31, 2024, 2023 and 2022 were as follows:

	Year Ended December 31,		
(in thousands)	**2024**	**2023**	**2022**
Advertising, general and administrative	$ 957,118	$ 888,787	$ 776,226
Acquisition and integration	24,729	49,292	49,480
Restructuring charges, net	17,921	31,014	—
Loss on disposal of business[(1)]	27,796	—	—
Merger costs[(2)]	14,808	—	—
Diamond Sports Group non-cash settlement[(3)]	1,114	144,883	—
Total general and administrative	$ 1,043,486	$ 1,113,976	$ 825,706

(1) Refer to Note 8 "Dispositions" for further information.
(2) Refer to Note 1 "General Information" and Note 25 "Subsequent Events" for further information.
(3) Refer to Note 22 "Commitments and Contingencies" for further information.

Interest Expense, Net

Amounts included in Interest expense, net for the years ended December 31, 2024, 2023 and 2022 were as follows:

	Year Ended December 31,		
(in thousands)	**2024**	**2023**	**2022**
Interest income	$ 20,718	$ 6,099	$ 616
Interest expense	(310,347)	(283,660)	(208,769)
Total interest expense, net	$ (289,629)	$ (277,561)	$ (208,153)

Other Non-Operating Income (Expense)

Amounts included in Other non-operating income (expense), net for the years ended December 31, 2024, 2023 and 2022 were as follows:

	Year Ended December 31,		
(in thousands)	**2024**	**2023**	**2022**
Change in value of performance warrants	$ (13,965)	$ (7,716)	$ 32,577
Net (loss) gain on equity method investments	(1,850)	4,255	—
Foreign exchange gain (loss)	10,271	(11,019)	516
Other, net	999	2,294	13,599
Total other non-operating (expense) income, net	$ (4,545)	$ (12,186)	$ 46,692

5. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Standards Implemented

In November 2023, the FASB issued Accounting Standards Update ("ASU") No. 2023-07, *Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures*. The amendments in this update enhance the disclosures required for significant segment expenses on an annual and interim basis. The guidance will apply retrospectively and is effective for annual reporting periods in fiscal years beginning after December 15, 2023, and interim reporting periods in fiscal years beginning after December 31, 2024. The Company adopted the ASU as of December 31, 2024. Refer to Note 23 "Segment Reporting" for further information.

Standards to Be Implemented

In October 2023, the FASB issued ASU No. 2023-06, *Disclosure Improvements - Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*. The amendments in this update align the requirements in the ASC to the Securities and Exchange Commission's ("SEC") regulations. The effective date for each amended topic in the ASC is the date on which the SEC's removal of the related disclosure requirement from Regulation S-X or Regulation S-K becomes effective. If by June 30, 2027, the SEC has not removed the related disclosure from its regulations, the amendments will be removed from the Codification and not become effective. Early adoption is prohibited. The Company is currently in the process of evaluating the impact of this amendment on its consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740) - Improvements to Income Tax Disclosures*. The amendments in this update enhance the transparency and decision usefulness of income tax disclosures. This update will be effective for annual periods beginning after December 15, 2024, with early adoption permitted. The Company is currently in the process of evaluating the impact of this amendment on its consolidated financial statements and related disclosures.

In March 2024, the FASB issued ASU 2024-02, *Codification Improvements - Amendments to Remove References to the Concepts Statements*. This amendment to the Codification removes references to various Concepts Statements. This update will be effective for public business entities for fiscal years beginning after December 15, 2024, with early adoption permitted if adopted as of the beginning of the fiscal year that includes that interim period. The Company is currently in the process of evaluating the impact of this amendment on its consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. The amendments in this update require disclosure of certain costs and expenses on an interim and annual basis in the notes to the financial statements. This update will be effective for fiscal years beginning after December 15, 2026, and interim reporting periods in fiscal years beginning after December 15, 2027, with early adoption permitted. The disclosures required under the guidance can be applied either prospectively to financial statements issued for reporting periods after the effective date or retrospectively to any or all periods presented in the financial statements. The Company is currently evaluating the impact that this guidance will have on its financial statement disclosures.

6 . REVENUE RECOGNITION

The Company recognizes revenue in accordance with ASC 606, *Revenue from Contracts with Customers*, ("ASC 606") which requires the revenue to be recognized when a performance obligation is satisfied by transferring the control of promised goods or services and is measured at the transaction price or the amount of consideration that the Company expects to receive through satisfaction of the identified performance obligations.

The Company generates revenue from five principal sources: (1) gaming (which includes retail gaming, online gaming, sports betting and racing), (2) hotel, (3) food and beverage, (4) licensing and (5) retail, entertainment and other.

Sales tax and other taxes collected on behalf of governmental authorities are accounted for on a net basis and are not included in revenue or operating expenses.

Gaming Revenue

Performance Obligations

Retail gaming service contracts involving our land-based casinos, each have an obligation to honor the outcome of a wager and to pay out an amount equal to the stated odds, including the return of the initial wager, if the customer receives a winning hand. These elements of honoring the outcome of the hand of play and generating a payout are considered one performance obligation, with an additional performance obligation for those customers earning incentives under the Company's player loyalty program.

Online gaming and sports betting represent a single performance obligation for the Company to operate contests or games and award prizes or payouts to users based on results of the arrangement. Additionally, the use of incentives across the online gaming products create future customer rights and are a separate performance obligation.

Racing revenue is earned through advance deposit wagering, which consists of patrons wagering through an advance deposit account. Each wagering contract contains a single performance obligation.

Transaction Price

The Company applies a practical expedient to account for its gaming contracts on a portfolio basis as such wagers have similar characteristics and the Company reasonably expects the impact on the consolidated financial statements of applying the revenue recognition guidance to the portfolio would not differ materially from the application of an individual wagering contract. The transaction price for a retail gaming, online gaming or sports betting wagering contract is the difference between wins and losses, not the total amount wagered. In addition, in the event of a multi-stage contest, the Company will allocate transaction price ratably from contest start to the contest's final stage.

The transaction price for racing operations, inclusive of live racing events conducted at the Company's racing facilities, is the commission received from the pari-mutuel pool less contractual fees and obligations, primarily consisting of purse funding requirements, simulcasting fees, tote fees and certain pari-mutuel taxes that are directly related to the racing operations.

For purposes of allocating the transaction price in a wagering contract between the wagering performance obligation and the obligation associated with incentives earned under loyalty programs, the Company allocates an amount to the loyalty program contract liability based on the stand-alone selling price of the incentive earned. The performance obligation related to loyalty program incentives are deferred and recognized as revenue upon redemption by the customer.

Revenue Recognition

The allocated revenue for retail gaming wagers is recognized when the wagering occurs as all such wagers settle immediately. Online gaming revenue is recognized at the point in time when the player completes a gaming session and payout occurs. Sports betting involves a player wagering money on an outcome or series of outcomes. If a player wins the wager, the Company pays the player a pre-determined amount known as fixed odds, and its revenue is recognized as total wagers net of payouts made and incentives awarded to players. Racing revenue includes several of our casinos and resorts' share of wagering from live racing and the import of simulcast signals, and is recognized upon completion of the wager based upon an established take-out percentage.

Certain operations within the Company's Casinos & Resorts and North America Interactive reportable segment act as an agent in operating gaming services on behalf of the state in which they are licensed. At these respective casino properties, gaming revenue is recognized when the wager is settled, which is when the customer has received the benefits of the Company's gaming services and the Company has a present right to payment. The Company recorded revenue from its operations in these states on a net basis, which represents the percentage share entitled to the Company.

The estimated retail value related to goods and services provided to guests without charge or upon redemption under the Company's player loyalty programs included in departmental revenues, and therefore reducing gaming revenues, are as follows for the years ended December 31, 2024, 2023 and 2022:

	Years Ended December 31,		
(in thousands)	**2024**	**2023**	**2022**
Hotel	$ 82,520	$ 94,650	$ 87,540
Food and beverage	82,025	80,899	70,476
Retail, entertainment and other	9,722	11,100	10,195
	$ 174,267	$ 186,649	$ 168,211

Non-gaming Revenue

Performance Obligations

Hotel, food and beverage, licensing and retail, entertainment and other services have been determined to be separate, stand-alone performance obligations and revenue is recognized as the good or service is transferred at the point in time of the transaction.

Transaction Price

The transaction price for hotel, food and beverage, licensing and retail, entertainment and other, is the net amount collected from the customer for such goods and services or under the license agreement. The estimated standalone selling price of hotel rooms is determined based on observable prices. The standalone selling price of these goods and services are determined based upon the actual retail prices charged to customers for those items.

Revenue Recognition

Hotel revenue is recognized when the customer obtains control through occupancy of the room over their stay at the hotel. Advance deposits for hotel rooms are recorded as liabilities until revenue recognition criteria are met. Food, beverage and retail revenues are recognized at the time the goods are sold from Company-operated outlets. Licensing revenue is recognized under the sales-and usage-based royalty exception available in ASC 606 for licenses of intellectual property whereby revenue is recognized in the period that the underlying sale or usage occurs as the fees due to the Company are contingent and based on the customer's usage of the intellectual property. Other revenue includes cancellation fees for hotel and meeting space services, which are recognized upon cancellation by the customer, and golf revenues from the Company's operations of Bally's Golf Links, which are recognized at the time of sale. Additionally, other revenue includes market access and business-to-business service revenue generated by the International Interactive and North America Interactive reportable segments, which is recognized at the time the goods are sold or the service is provided, and are included in Non-gaming revenue within our consolidated statements of operations.

The following table provides a disaggregation of total revenue by segment (in thousands):

Years Ended December 31,	Casinos & Resorts	International Interactive	North America Interactive	Total
2024				
Gaming	$ 1,008,361	$ 893,756	$ 149,551	$ 2,051,668
Non-gaming:				
Hotel	148,693	—	—	148,693
Food and beverage	134,853	360	—	135,213
Licensing	—	6,861	—	6,861
Retail, entertainment and other	71,206	8,516	28,321	108,043
Total non-gaming revenue	354,752	15,737	28,321	398,810
Total revenue	$ 1,363,113	$ 909,493	$ 177,872	$ 2,450,478
2023				
Gaming	$ 954,725	$ 952,921	$ 84,395	$ 1,992,041
Non-gaming:				
Hotel	200,650	—	—	200,650
Food and beverage	143,521	—	—	143,521
Retail, entertainment and other	64,395	20,289	28,177	112,861
Total non-gaming revenue	408,566	20,289	28,177	457,032
Total revenue	$ 1,363,291	$ 973,210	$ 112,572	$ 2,449,073
2022				
Gaming	$ 907,431	$ 899,934	$ 38,759	$ 1,846,124
Non-gaming:				
Hotel	153,750	—	—	153,750
Food and beverage	115,322	—	—	115,322
Retail, entertainment and other	51,060	46,508	42,941	140,509
Total non-gaming revenue	320,132	46,508	42,941	409,581
Total revenue	$ 1,227,563	$ 946,442	$ 81,700	$ 2,255,705

Contract Assets and Contract Related Liabilities

The Company's receivables related to contracts with customers are primarily comprised of marker balances, interactive platform business-to-business service receivables, other amounts due from gaming activities, amounts due for hotel stays and amounts due from tracks and OTB locations. The Company's receivables related to contracts with customers were $41.3 million and $38.5 million as of December 31, 2024 and 2023, respectively.

The Company has the following liabilities related to contracts with customers: liabilities for loyalty programs, advance deposits made for goods and services yet to be provided and unpaid wagers. All of the contract liabilities are short-term in nature and are included in "Accrued and other current liabilities" in the consolidated balance sheet.

Loyalty program incentives earned by customers are typically redeemed within one year from when they are earned and expire if a customer's account is inactive for more than 12 months; therefore, the majority of these incentives outstanding at the end of a period will either be redeemed or expire within the next 12 months.

Advance deposits are typically interactive player deposits and customer deposits for future banquet events, hotel room reservations, and gift cards. The Company holds restricted cash for interactive player deposits and records a corresponding withdrawal liability.

Unpaid wagers include the Company's outstanding chip liability and unpaid slot, pari-mutuel and sports betting tickets.

Liabilities related to contracts with customers as of December 31, 2024 and 2023 were as follows:

	December 31,	
	2024	2023
Loyalty programs	$ 12,167	$ 16,803
Advanced deposits from customers	26,141	29,052
Unpaid wagers	32,992	20,481
Total	$ 71,300	$ 66,336

The Company recognized $30.5 million, $35.7 million and $31.0 million of revenue related to loyalty program redemptions for the years ended December 31, 2024, 2023 and 2022, respectively.

7. BUSINESS COMBINATIONS

Casinos & Resorts Acquisitions

Bally's Golf Links - On September 12, 2023, the Company completed the acquisition of Trump Golf Links at Ferry Point, subsequently renamed Bally's Golf Links at Ferry Point, which includes the assignment of a license agreement to operate an 18-hole links-style golf course located in the Bronx, New York.

The total purchase consideration included cash paid, net of cash acquired and net working capital adjustments, which amounted to $55.0 million. This acquisition continues the Company's strategic objective of developing a diversified portfolio within its Casinos & Resorts segment.

Total purchase consideration also includes contingent consideration valued at $58.6 million, which is the fair value, under GAAP, of expected cash payments totaling up to $125 million to the seller, based upon future events, which are uncertain. The contingent consideration was recorded at fair value, using discounted cash flow analyses with level 3 inputs, and is remeasured quarterly, with fair value adjustments recognized in earnings, until the contingencies are resolved. Inputs to this valuation approach include the Company's estimated probabilities of achieving the conditions for payment, expected terms between 1.5 and 3 years, and discount rates between 7.2% and 7.8%. The settlement of the contingent consideration liabilities will be due to the seller in the event the license agreement is extended or if the Company is successful in its bid for a casino license.

Tropicana Las Vegas - On September 26, 2022, the Company completed its acquisition of Tropicana Las Vegas for $148.2 million. Cash paid by the Company at closing net of $1.7 million cash acquired, was $146.5 million, excluding transaction costs. In connection with the acquisition of Tropicana Las Vegas, the Company's indirect subsidiary, Tropicana Las Vegas, Inc., entered into a lease arrangement with GLPI to lease the land underlying the Tropicana Las Vegas property for an initial term of 50 years at annual rent of $10.5 million. On August 28, 2024, GLPI and Tropicana Las Vegas, Inc. entered into the First Amendment to Ground Lease to provide a funding mechanism for certain hard constructions costs with respect to the demolition, site preparation, and build out of certain portions of the leased property. Refer to Note 18 "Leases" for further information.

The following table summarizes the consideration paid and the fair values of the assets acquired and liabilities assumed in connection with the Casinos & Resorts acquisitions as of December 31, 2024:

Acquired during the year ended December 31,	**2023**	**2022**
(in thousands)	**Bally's Golf Links**	**Tropicana Las Vegas**
	Final[3]	*Final(3)*
Total current assets	$ 1,108	$ 7,924
Property and equipment, net	505	136,116
Right of use assets, net	—	164,884
Goodwill	103,824	8,794
Intangible assets, net[1][2]	6,500	5,140
Other assets	2,000	766
Total current liabilities	(345)	(10,129)
Lease liabilities	—	(164,884)
Other long-term liabilities	—	(395)
Total purchase price	$ 113,592	$ 148,216

(1) Bally's Golf Links' intangible assets include a concessionaire license of $6.5 million, which is being amortized over its estimated useful life of approximately 12 years.
(2) Tropicana Las Vegas intangible assets include rated player relationships, a trade name and pre-bookings of $2.6 million, $1.7 million and $0.8 million, respectively, which are being amortized on a straight-line basis over their estimated useful lives of approximately 9 years, 3 years and 2 years, respectively.
(3) The Company recorded adjustments to the preliminary purchase price allocation during the year ended December 31, 2024 which decreased Goodwill and the total purchase price by $0.2 million.

Goodwill recognized is deductible for local tax purposes and has been assigned as of the acquisition date to the Company's Casinos & Resorts reportable segment, which includes the reporting unit expected to benefit from the synergies of the acquisitions. Qualitative factors that contribute to the recognition of goodwill include an organized workforce and expected synergies from integrating the properties into the Company's casino portfolio and future development of its omni-channel strategy.

The Company incurred $0.2 million, $1.1 million and $3.9 million of acquisition costs related to the above Casinos & Resorts acquisitions during the years ended December 31, 2024, 2023 and 2022, respectively. These costs are included within "General and administrative" in the consolidated statements of operations.

International Interactive Acquisition

Casino Secret - On January 5, 2023, the Company completed the acquisition of BACA Limited ("Casino Secret"), a European based online casino that offers slots, tables and live dealer games to Asian markets for total consideration of $50.4 million. Cash paid by the Company, net of $8.3 million cash acquired, was $38.7 million, excluding transaction costs.

The following table summarizes the consideration paid and the fair values of the assets acquired and liabilities assumed in connection with the International Interactive acquisition:

(in thousands)	**Casino Secret**
	Final[2]
Total current assets	$ 8,862
Property and equipment, net	50
Intangible assets, net[1]	29,471
Goodwill	18,422
Total current liabilities	(6,371)
Total purchase price	$ 50,434

(1) Casino Secret intangible assets include player relationships and trade names of $26.0 million and $3.5 million, respectively, which are both being amortized on a straight-line basis over their estimated useful lives of approximately 7 years.
(2) The Company did not record adjustments to the preliminary purchase price allocation during year ended December 31, 2024.

Total goodwill recorded in connection with the above acquisition was $18.4 million, and is not deductible for local tax purposes. Qualitative factors that contribute to the recognition of goodwill include certain intangible assets that are not recognized as separate identifiable intangible assets apart from goodwill, which consist primarily of benefits from acquiring a talented technology workforce and management team experienced in the online gaming industry, and securing buyer-specific synergies expected to contribute to the Company's omni-channel strategy which are expected to increase revenue and profits within the Company's International Interactive reportable segment. The goodwill of the acquisition has been assigned, as of the acquisition date, to the Company's International Interactive reportable segment.

The Company incurred $1.2 million of acquisition costs related to the above International Interactive acquisition during the year ended December 31, 2023. These costs are included within "General and administrative" in the consolidated statements of operations. There were no acquisition costs related to the above International Interactive acquisition during the years ended December 31, 2024 and 2022.

8 . DISPOSITIONS

During the fourth quarter of 2024, the Company completed the sale of the Carved-Out Business, as defined above, for total consideration of 32.9 million, which consisted of a €30 million seven-year term note, subject to applicable interest (refer to Note 3 "Related Party Transactions" for further information). The disposition includes the Company's interest in various contracts with Breckenridge Curacao B.V. ("Breckenridge"), which was previously determined to be a VIE was consolidated by the Company. The Company disposed of net assets of approximately 56.2 million, which include the previously consolidated net assets of Breckenridge, and released foreign currency translation adjustments of 4.7 million. Additionally, the Company held a net investment hedge on the net investment in the foreign operations sold, and thus released 9.1 million of accumulated other comprehensive income as a result of dedesignating the hedge as of the disposal date. The Company recorded a pre-tax loss of approximately 27.8 million upon the sale, which is included in "General and administrative" in the consolidated statements of operations for the year ended December 31, 2024. The net assets disposed of consisted primarily of goodwill of 20.7 million, and working capital including cash and cash equivalents of 4.2 million and restricted cash of 37.5 million, which consists of player related funds and funds held with payment service providers, net of liabilities.

Ownership of certain intellectual property previously owned by Bally's and used by the Carved-Out Business has been transferred into an independent trust ("the Trust"). The Trust licenses the use of such intellectual property to the Carved-Out Business under a new commercial license arrangement, with licensing fees paid to the Trust by the Buyer for a term of five years (subject to annual automatic extension) based on net gaming revenues of the Carved-Out Business. Any proceeds generated from the Trust property are distributed to the Company by the Trust and are recognized as licensing revenue and included in "Non-gaming revenue" in the consolidated statements of operations, as development of iGaming capabilities remains a core part of Bally's strategy. Licensing revenue recognized by the Company was 6.9 million during the year ended December 31, 2024. The Company and the Buyer also entered into agreements pursuant to which the Company agreed to provide the Carved-Out Business with certain transition and software services for a period of two years. Income earned under these transitional service agreements is recognized in Total operating costs and expenses, as a reduction to the related expenses being passed through, in the consolidated statements of operations and was immaterial for the year ended December 31, 2024.

The Company evaluated the Trust to determine whether the entity meets the definition of a VIE under ASC 810 and concluded that the Trust is a VIE because the entity is formed with non-substantive voting rights. The Company has determined that it is the primary economic beneficiary of the Trust because all of the residual returns of the Trust accrue to the Company under the purposes set out in the Trust deed. Accordingly, under the application of ASC 810, the Company consolidates all of the assets, liabilities and results of operations of the Trust and its subsidiaries in the accompanying consolidated financial statements. Refer to Note 2 "Summary of Significant Accounting Policies" for further information.

9. PREPAID EXPENSES AND OTHER CURRENT ASSETS

As of December 31, 2024 and 2023, prepaid expenses and other assets was comprised of the following:

	December 31,	
(in thousands)	**2024**	**2023**
Services and license agreements	$ 43,141	$ 33,182
Taxes and licenses	18,988	19,973
Short term notes receivable	17,342	—
Prepaid marketing	11,952	8,685
Purse funds	7,412	6,404
Short term derivative assets	5,359	9,530
Prepaid insurance	3,341	8,366
Due from payment service providers	—	12,662
Other	7,936	9,294
Total prepaid expenses and other current assets	$ 115,471	$ 108,096

10. PROPERTY AND EQUIPMENT

As of December 31, 2024 and 2023, property and equipment, net was comprised of the following:

	December 31,	
(in thousands)	**2024**	**2023**
Land and improvements	$ 49,553	$ 401,208
Building and improvements	370,086	673,071
Equipment	280,946	264,398
Furniture and fixtures	64,109	68,746
Construction in process	149,906	73,810
Total property, plant and equipment	914,600	1,481,233
Less: Accumulated depreciation[(1)]	(283,898)	(306,345)
Property and equipment, net	$ 630,702	$ 1,174,888

(1) Depreciation expense on property and equipment for the years ended December 31, 2024, 2023 and 2022 was $158.0 million, $118.7 million and $71.7 million, respectively.

Bally's Chicago

A wholly-owned indirect subsidiary of the Company, Bally's Chicago Operating Company, LLC entered into a Lease Termination and Short Term License Agreement with Chicago Tribune Company, LLC ("Tribune"), effective March 31, 2023, which, among other things, provided that the Company would have possession of 777 West Chicago Avenue, Chicago, Illinois 60610 (the "Permanent Chicago Site") on or before July 5, 2024, subject to $150 million in payments by the Company to Tribune payable in full upon Tribune vacating the site on or prior to July 5, 2024 (the "Payment"). $10 million of the Payment was paid upon execution of the Lease Termination and Short Term License Agreement and $90 million of the Payment was paid during the third quarter of 2023. The Company paid the remaining $50 million on July 9, 2024 and gained possession of the property per the agreement with Tribune.

In the third quarter of 2024, as the result of a lease modification event, the Company derecognized $350.0 million of land relating to the site of the future Bally's Chicago permanent facility. Refer to Note 18 "Leases" for further information

11. GOODWILL AND INTANGIBLE ASSETS

2024 Annual Impairment Assessment

As of October 1, 2024, the Company performed its annual impairment assessment of goodwill and long lived assets for all reporting units and asset groups. Each individual property within the Casinos and Resorts operating segment is determined to be its own reporting unit and asset group. The reporting units for the North America Interactive and International Interactive operating segments are the operating segments.

The Company performed a quantitative test of goodwill for its International Interactive reporting unit and one reporting unit within the Casinos and Resorts operating segment and determined that the fair value of the reporting units exceeded their respective carrying amounts and thus, there was no impairment. The estimated fair value of the reporting units were determined through a combination of a discounted cash flow model and market-based approach, which utilized Level 3 inputs including future cash flow projections for the reporting units, terminal growth rates of 3 and discount rates of 15 and 11. If future results significantly vary from current estimates and related projections, the Company may be required to record impairment charges.

For the North America Interactive reporting unit and all other reporting units within the Casinos and Resorts segment with goodwill, the Company performed a qualitative analysis for the annual assessment of goodwill (commonly referred to as "Step Zero"). From a qualitative perspective, in evaluating whether it is more likely than not that the fair value of a reporting unit exceeds its carrying amount, relevant events and circumstances are taken into account, with greater weight assigned to events and circumstances that most affect the fair value or the carrying amounts of its assets. Items that were considered included, but were not limited to, the following: macroeconomic conditions, industry and market conditions and overall financial performance, and the most recent quantitative assessment performed for the reporting unit. After assessing these and other factors, the Company determined that it was more likely than not that the fair value of the reporting units subject to the qualitative assessment exceeded their carrying amounts as of October 1, 2024. If future results vary significantly from current estimates and related projections, the Company may be required to record impairment charges.

For four indefinite lived gaming licenses in the Casinos & Resorts segment, the Company determined it had an indicator of impairment based on declines in actual or projected results compared to those projected when the gaming licenses were originally valued at acquisition. The Company valued the gaming licenses using the Greenfield Method under the income approach which estimates the fair value of the gaming license using a discounted cash flow model assuming the Company built a new casino with similar utility to that of the existing casino. Level 3 inputs to the valuation include estimating projected revenues and operating cash flows, including terminal growth rates between 2 and 3, estimated construction costs, and pre-opening expenses and is discounted at a market-based weighted average cost of capital ("WACC"), which was between 10 and 11 for three licenses. The fair values of three of the four gaming licenses were below their respective carrying values and the Company recorded a combined impairment loss of 38.6 million. The fair value of the fourth gaming license exceeded its carrying value.

For all other indefinite lived intangible assets, the Company performed a qualitative assessment of impairment and determined that it was more likely than not that the fair values of all assets exceed their carrying values as of October 1, 2024. If future results vary significantly from current estimates and related projections, the Company may be required to record impairment charges.

2024 Interim Impairment

During the fourth quarter of 2024, the Company divested a component within the International Interactive operating segment (refer to Note 8 "Dispositions" for further information). As a result of this divestiture, the Company allocated goodwill on a relative fair value basis to the divested component which also triggered the need for an interim impairment assessment. The Company estimated the fair value of the reporting units using both income and market-based approaches. Specifically, the Company applied the discounted cash flow ("DCF") method under the income approach. The Company relied on the present value of expected future cash flows, including terminal value, utilizing a market-based WACC determined separately for the reporting unit as of the valuation date. The determination of fair value under the DCF method involved the use of significant Level 3 inputs and assumptions, including revenue growth rates driven by expected future activity, operating margins, capital expenditures, working capital requirements, tax rates, terminal growth rates of 3, and a discount rate of 16. The fair value of the International Interactive reporting unit exceeded its carrying value and thus no impairment was recorded. The Company allocated 20.7 million to the component that was divested, which was subsequently de-recognized.

As a result of this divestiture, the Company identified a triggering event related to a long lived asset group within its International Interactive operating segment. The triggering event was the result of the expected future cash flows of the asset group being below the carrying value of the long lived assets and therefore, a quantitative impairment analysis was performed. The fair value of the intangible assets were determined using a relief from royalty method, which utilized Level 3 inputs and was exceeded by the carrying value, indicating an impairment. Inputs to the valuation included revenue projections derived from the intangible assets, a discount rate of 16 and royalty rates between 3 and 12. As a result of the analysis, the Company recorded an aggregate $197.5 million impairment charge in its International Interactive operating segment. The Company allocated the loss first to intangible assets, in the amount of $125.9 million, and then the residual of $71.6 million to goodwill. These charges are recorded within "Impairment charges" in the consolidated statements of operations.

2023 Annual Impairment Assessment

In 2023, the Company changed the useful life for one of its indefinite lived trademarks in the International Interactive segment which then required the Company to perform a quantitative test for impairment of the trademark. The fair value of the trademark was determined using a relief from royalty method, which utilized Level 3 inputs and was exceeded by the carrying value, indicating an impairment. Inputs to the valuation included revenue projections derived from the trademark, a discount rate of 15 and a royalty rate of 3. As such, the Company recorded an impairment loss within the International Interactive segment of $54.0 million related to this trademark intangible asset. The decline in value of the trademark was primarily driven by the change in useful life and the de-emphasis of the trademark for other newer brands in Asia and Rest of World, resulting in a decline in actual and projected revenues attributable to the trademark as compared to when the fair value was determined during the purchase price allocation of the Gamesys acquisition. These charges are recorded within "Impairment charges" in the consolidated statements of operations.

For three indefinite lived gaming licenses in the Casinos & Resorts segment, the Company determined it had an indicator of impairment based on declines in results compared to those projected when the gaming licenses were originally valued at acquisition. The Company valued the gaming licenses using the Greenfield Method under the income approach which estimates the fair value of the gaming license using a discounted cash flow model with level 3 inputs assuming the Company built a new casino with similar utility to that of the existing casino. Level 3 inputs to the valuation include estimating projected revenues and operating cash flows, including terminal growth rates of 3, estimated construction costs, and pre-opening expenses and is discounted at a rate that reflects the level of risk associated with receiving cash flows attributable to the license, which was 12.5 for these three licenses. The fair values of these gaming licenses were below their respective carrying values and the Company recorded an impairment loss of $76.7 million.

For all other indefinite lived intangible assets, the Company performed a qualitative assessment of impairment and determined that it was more likely than not that the fair values of all assets exceed their carrying values as of October 1, 2023. If future results vary significantly from current estimates and related projections, the Company may be required to record impairment charges.

In connection with the expansion of the Company's restructuring plan announced on October 20, 2023 targeted at reshaping the technology utilized by its Interactive segments (refer to Note 16 "Restructuring Expense"), the Company recorded impairment charges of $5.7 million, related to certain technology intangible assets which will no longer be utilized.

2023 Interim Impairment

During the third quarter of 2023, the Company divested a component within the North America Interactive reporting unit. This divestiture required a relative fair value goodwill allocation to the divested component and a quantitative test for impairment of the remaining North America Interactive reporting unit. For the quantitative goodwill impairment test, the Company estimated the fair value of the reporting unit and asset group using both income and market-based approaches. Specifically, the Company applied the DCF method under the income approach and the guideline company under the market approach and weighted the results of the two valuation methodologies based on the facts and circumstances surrounding the reporting unit. For the DCF method, the Company relied on the present value of expected future cash flows, including terminal value, utilizing a market-based WACC determined separately for the reporting unit as of the valuation date. The determination of fair value under the DCF method involved the use of significant estimates and assumptions, including revenue growth rates driven by future gaming activity, operating margins, capital expenditures, working capital requirements, tax rates, terminal growth rates, and discount rates. For the market approach, the Company utilized a comparison of the reporting unit to comparable publicly-traded companies and transactions and, based on the observed earnings multiples, ultimately selected multiples to apply to the reporting unit. The fair value of the North America Interactive reporting unit exceeded its carrying value and thus no impairment was recorded. The Company allocated $4.2 million to the component that was divested, which was subsequently de-recognized.

2022 Impairment Assessment

For the North America Interactive reporting unit and asset group, primarily due to a decline in actual and projected revenues, the Company determined that it was more likely than not that the fair value of the reporting unit was less than its carrying value and therefore, a quantitative impairment analysis was performed. As a result of the analysis, the Company recorded an aggregate $390.7 million non-cash impairment charge in its North America Interactive reporting unit. The Company allocated the loss first to intangible assets, in the amount of $159.1 million, and then the residual of $231.6 million to goodwill.

The Company recorded an impairment loss within the International Interactive segment of $73.3 million related to a long-standing indefinite lived trademark acquired as part of the Gamesys acquisition. The fair value of the trademark was determined using a relief from royalty method, which utilized Level 3 inputs and included revenue projections derived from the trademark, a discount rate of 14.5, royalty rate of 3, and a terminal growth rate of 3. These charges are recorded within "Impairment charges" in the consolidated statements of operations.

The change in carrying value of goodwill by reportable segment for the years ended December 31, 2024 and 2023 is as follows:

(in thousands)	Casinos & Resorts[3]	International Interactive	North America Interactive	Total
Goodwill as of December 31, 2022[1]	$ 209,257	$ 1,497,205	$ 39,740	$ 1,746,202
Goodwill from current year business combinations	104,032	18,422	—	122,454
Effect of foreign exchange	—	70,963	184	71,147
Purchase accounting adjustments on prior year business combinations	204	—	—	204
Current year divestiture	—	—	(4,204)	(4,204)
Goodwill as of December 31, 2023[1][3]	$ 313,493	$ 1,586,590	$ 35,720	$ 1,935,803
Goodwill from current year business combinations	—	1,176	—	1,176
Impairment charges	—	(71,636)	—	(71,636)
Effect of foreign exchange	—	(44,200)	(334)	(44,534)
Purchase accounting adjustments on prior year business combinations	(208)	—	—	(208)
Current year divestiture	—	(20,657)	—	(20,657)
Goodwill as of December 31, 2024[2][3]	$ 313,285	$ 1,451,273	$ 35,386	$ 1,799,944

(1) Amounts are shown net of accumulated goodwill impairment charges of $5.4 million and $140.4 million for Casinos & Resorts and North America Interactive, respectively.
(2) Amounts are shown net of accumulated goodwill impairment charges of $5.4 million, $71.6 million, and $140.4 million, for Casinos & Resorts, International Interactive and North America Interactive, respectively.
(3) As of December 31, 2024 and 2023, amounts shown include $59.2 million and $50.4 million of goodwill associated with reporting units with negative carrying value, respectively.

The change in intangible assets, net for the years ended December 31, 2024 and 2023 is as follows (in thousands):

Intangible assets, net as of December 31, 2022	$ 1,961,938
Intangible assets from current year business combinations	35,971
Effect of foreign exchange	46,926
Impairment charges	(136,404)
Internally developed software	47,091
Other intangibles acquired[1]	147,619
Less: Accumulated amortization	(231,713)
Intangible assets, net as of December 31, 2023	$ 1,871,428
Impairment charges	(164,486)
Derecognition of Commercial rights - Sinclair	(202,572)
Internally developed software	48,392
Effect of foreign exchange	(24,871)
Other intangibles acquired	3,059
Intangible assets disposed	(2,074)
Less: Accumulated amortization	(221,533)
Intangible assets, net as of December 31, 2024	$ 1,307,343

(1) Includes gaming license fees of $135.3 million paid to the Illinois Gaming Board upon commencement of operations at Bally's Chicago temporary casino. Refer to Note 22 "Commitments and Contingencies" for further information.

The Company's identifiable intangible assets consist of the following:

(in thousands, except years)	Weighted average remaining life (in years)	December 31, 2024 Gross Carrying Amount	Accumulated Amortization	Net
Amortizable intangible assets:				
Customer relationships	4.1	$ 660,005	$ (272,333)	$ 387,672
Developed technology	5.1	210,712	(70,073)	140,639
Internally developed software	3.7	105,284	(26,791)	78,493
Gaming licenses	5.6	47,797	(19,864)	27,933
Trade names	7.0	31,723	(18,032)	13,691
Hard Rock license	22.5	8,000	(2,545)	5,455
Other	9.6	11,473	(4,918)	6,555
Total amortizable intangible assets		1,074,994	(414,556)	660,438
Intangible assets not subject to amortization:				
Gaming licenses	Indefinite	546,908	—	546,908
Trade names	Indefinite	98,784	—	98,784
Other	Indefinite	1,213	—	1,213
Total unamortizable intangible assets		646,905	—	646,905
Total intangible assets, net		$ 1,721,899	$ (414,556)	$ 1,307,343

(in thousands, except years)	Weighted average remaining life (in years)	December 31, 2023 Gross amount	Accumulated amortization	Net Amount
Amortizable intangible assets:				
Customer relationships	4.8	$ 974,286	$ (314,053)	$ 660,233
Commercial rights - Sinclair[(1)]	7.2	315,847	(89,901)	225,946
Developed technology	4.8	267,927	(86,119)	181,808
Internally developed software	3.5	61,687	(13,091)	48,596
Gaming licenses	6.4	45,008	(11,964)	33,044
Trade names	5.8	37,042	(18,125)	18,917
Hard Rock license	23.5	8,000	(2,303)	5,697
Other	9.9	11,505	(3,621)	7,884
Total amortizable intangible assets		1,721,302	(539,177)	1,182,125
Intangible assets not subject to amortization:				
Gaming licenses	Indefinite	586,971	—	586,971
Trade Names	Indefinite	100,544	—	100,544
Other	Indefinite	1,788	—	1,788
Total unamortizable intangible assets		689,303	—	689,303
Total intangible assets, net		$ 2,410,605	$ (539,177)	$ 1,871,428

(1) Commercial rights intangible asset in connection with Framework Agreement15 "Strategic Partnership - Sinclair Broadcast Group" for further information.

Amortization of intangible assets was approximately $221.5 million, $231.7 million and $228.9 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Refer to Note 7 "Business Combinations" for further information about the goodwill and intangible balances added from business combinations. Refer to Note 15 "Strategic Partnership - Sinclair Broadcast Group" for intangible assets added through the Framework Agreement.

The following table shows the remaining amortization expense associated with finite lived intangible assets as of December 31, 2024:

(in thousands)		
2025	$	188,437
2026		186,679
2027		185,713
2028		39,476
2029		19,247
Thereafter		40,886
	$	660,438

12. DERIVATIVE INSTRUMENTS

The Company utilizes derivative instruments in order to mitigate interest rate and currency exchange rate risk in accordance with its financial risk and liability management policy.

During the year ended December 31, 2024, the Company settled $500.0 million of notional interest rate collars and received $3.9 million in termination payments, reflecting the fair value on the settlement date. The fair value on the settlement date is recorded as a component of accumulated other comprehensive income (loss), which will be reclassified into "Interest expense, net" in the consolidated statements of operations in the same period in which the hedged interest payments associated with the Company's borrowings are recorded. Additionally, the Company simultaneously entered into a series of interest rate contracts in a notional aggregate amount of $1.00 billion, to further manage the Company's exposure to interest rate movements associated with the Company's variable rate Term Loan Facility through its synthetic conversion to fixed rate debt. The tenor of these contracts were matched with the maturity of the Term Loan Facility tranche maturing on October 1, 2028.

During the year ended December 31, 2023, the Company entered into a series of interest rate contracts and cross currency swap derivative transactions with multiple bank counterparties in order to synthetically convert a notional aggregate amount of $500.0 million of the Company's USD denominated variable rate Term Loan Facility, as disclosed in Note 17 "Long-Term Debt," into fixed rate debt over five years and $200 million of the Term Loan Facility, to an equivalent GBP denominated floating rate instrument over three years. These contracts mature in October, 2028 and 2026, respectively.

Cross Currency Swaps

Net Investment Hedges - The Company is exposed to fluctuations in foreign exchange rates on investments it holds in its European foreign entities. The Company uses fixed and fixed-cross-currency swaps to hedge its exposure to changes in the foreign exchange rate on its foreign investment in Europe and their exposure to changes in the EUR-GBP exchange rate. Currency forward agreements involve fixing the USD-EUR exchange rate for delivery of a specified amount of foreign currency on a specified date. The currency forward agreements are typically cash settled in USD for their fair value at or close to their settlement date. Cross-currency swaps involve the receipt of functional-currency-fixed-rate amounts from a counterparty in exchange for the Company making foreign-currency-fixed-rate payments over the life of the agreement. These derivative arrangements qualified as net investment hedges under ASC 815, with the gain or loss resulting from changes in the spot value of the derivative reported in other comprehensive income (loss). Amounts are reclassified out of other comprehensive income (loss) into earnings when the hedged net investment is either sold or substantially liquidated. Additionally, the accrual of foreign currency and USD denominated coupons are recognized in "Interest expense, net" in the consolidated statements of operations.

Economic Hedges - During the fourth quarter of 2024, as a result of the sale of the Carved-Out Business, the Company dedesignated its EUR-GBP cross currency swaps as net investment hedges and began recording changes in fair value of the derivative and the accrual of foreign currency and USD denominated coupons through earnings reported in Other non-operating income (expense), net in the consolidated statements of operations. At the time of dedesignation, the total amount of accumulated other comprehensive loss was $9.1 million and was recorded as part of Loss on disposal of business in General and administrative expenses in the consolidated statements of operations. Refer to Note 8 "Dispositions," Note 13 "Fair Value Measurements" and Note 20 "Stockholders' Equity" for further information.

The following tables summarize the Company's cross currency swap arrangements as of December 31, 2024 and 2023 (in thousands):

	December 31, 2024			December 31, 2023		
	Hedge Designation	Notional Sold	Notional Purchased	Hedge Designation	Notional Sold	Notional Purchased
Cross currency swaps	Economic Hedge	€ 461,595	£ 387,531	Net Investment Hedge	€ 461,595	£ 387,531
Cross currency swaps	Net Investment Hedge	£ 546,759	$ 700,000	Net Investment Hedge	£ 546,759	$ 700,000

Cash Flow Hedges

Interest Rate Contracts - The Company's objectives in using interest rate derivatives are to hedge its exposure to variability in cash flows on a portion of its floating-rate debt, to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish these objectives, the Company primarily uses interest rate swaps and collars as part of its financial risk and liability management policy. The Company's interest rate swaps and collars are designated as cash flow hedges under ASC 815. The changes in the fair value of these instruments are recorded as a component of accumulated other comprehensive income (loss) and reclassified into "Interest expense, net" in the consolidated statements of operations in the same period in which the hedged interest payments associated with the Company's borrowings are recorded. Refer to Note 13 "Fair Value Measurements" and Note 20 "Stockholders' Equity" for further information.

The following tables summarize the Company's cash flow hedges as of December 31, 2024 and 2023 (in thousands):

		December 31, 2024			December 31, 2023		
Cash Flow Hedges	Index	Notional Amount	Cap	Floor[(1)]	Notional Amount	Cap	Floor[(1)]
Interest rate contracts - swaps	US - SOFR	$1,500,000	— %	— %	$ 500,000	— %	— %
Interest rate contracts - collars	US - SOFR	$ —	— %	— %	$ 500,000	4.25 %	3.22 %

(1) Weighted average rate.

13. FAIR VALUE MEASUREMENTS

Except for the assets and liabilities held for sale and the corresponding impairment described in Note 11, there were no assets and liabilities measured at fair value on a nonrecurring basis. The following tables summarize the Company's assets and liabilities measured at fair value on a recurring basis. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement:

		December 31, 2024		
(in thousands)	**Balance Sheet Location**	**Level 1**	**Level 2**	**Level 3**
Assets:				
Cash and cash equivalents	Cash and cash equivalents	$ 171,233	$ —	$ —
Restricted cash	Restricted cash	60,021	—	—
Investment in GLPI partnership	Other assets	—	20,418	—
Derivative assets not designated as hedging instruments:				
Cross currency swaps	Prepaid expenses and other current assets	—	4,871	—
Cross currency swaps	Other assets	—	615	—
Derivative assets designated as hedging instruments:				
Interest rate contracts	Prepaid expenses and other current assets	—	340	—
Interest rate contracts	Other assets	—	336	—
Cross currency swaps	Prepaid expenses and other current assets	—	148	—
Cross currency swaps	Other assets	—	13,181	—
Total derivative assets at fair value		—	19,491	—
Total assets		$ 231,254	$ 39,909	$ —
Liabilities:				
Contingent consideration	Other long-term liabilities	$ —	$ —	$ 59,923
Derivative liabilities not designated as hedging instruments:				
Sinclair Performance Warrants	Other long-term liabilities	—	—	58,668
Cross currency swaps	Other long-term liabilities	—	11,174	—
Derivative liabilities designated as hedging instruments:				
Interest rate contracts	Accrued and other current liabilities	—	1,855	—
Interest rate contracts	Other long-term liabilities	—	13,372	—
Cross currency swaps	Accrued and other current liabilities	—	1,189	—
Cross currency swaps	Other long-term liabilities	—	1,624	—
Total derivative liabilities at fair value		—	29,214	58,668
Total liabilities		$ —	$ 29,214	$ 118,591

(in thousands)	Balance Sheet Location	December 31, 2023 Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	Cash and cash equivalents	$ 163,194	$ —	$ —
Restricted cash	Restricted cash	152,068	—	—
Investment in GLPI partnership	Other assets	—	14,146	—
Derivative assets designated as hedging instruments:				
Interest rate contracts	Prepaid expenses and other current assets	—	5,356	—
Cross currency swaps	Prepaid expenses and other current assets	—	4,174	—
Cross currency swaps	Other assets	—	6,477	—
Total derivative assets at fair value		—	16,007	—
Total assets		$ 315,262	$ 30,153	$ —
Liabilities:				
Contingent consideration	Other long-term liabilities	$ —	$ —	$ 58,580
Derivatives not designated as hedging instruments:				
Sinclair Performance Warrants	Other long-term liabilities	—	—	44,703
Derivative liabilities designated as hedging instruments:				
Interest rate contracts	Other long-term liabilities	—	21,492	—
Cross currency swaps	Accrued and other current liabilities	—	1,225	—
Cross currency swaps	Other long-term liabilities	—	29,376	—
Total derivative liabilities at fair value		—	52,093	44,703
Total liabilities		$ —	$ 52,093	$ 103,283

There were no transfers made among the three levels in the fair value hierarchy for the years ended December 31, 2024 and 2023.

The following table summarizes the changes in fair value of the Company's Level 3 assets and liabilities:

(in thousands)	Sinclair Performance Warrants	Contingent Consideration
Balance as of December 31, 2022	$ 36,987	$ 8,220
Additions in the period (acquisition fair value)	—	58,580
Reductions in the period	—	(9,292)
Change in fair value	7,716	1,072
Balance as of December 31, 2023	44,703	58,580
Change in fair value	13,965	1,343
Balance as of December 31, 2024	$ 58,668	$ 59,923

The gains (losses) recognized in the consolidated statements of operations for derivative instruments during the years ended December 31, 2024, 2023 and 2022 are as follows:

(in thousands)	Consolidated Statements of Operations Location	Year Ended December 31, 2024	2023	2022
Derivatives not designated as hedging instruments				
Sinclair Performance Warrants	Other non-operating income (expense), net	$ (13,965)	$ (7,716)	$ 32,577
Cross currency swaps	General and administrative[(1)]	(9,078)	—	—
Derivatives designated as hedging instruments				
Interest rate contracts	Interest expense, net	$ 11,031	$ 1,953	$ —
Cross currency swaps	Interest expense, net	3,658	1,350	—

(1) Amounts included in General and administrative during during the year ended December 31, 2024 as a result of the Company's dedesignation of its EUR-GBP cross currency swaps as net investment hedges. Subsequent changes in fair value will be reported within Other non-operating income (expense), net.

Interest Rate Contracts and Cross Currency Swaps

The fair values of interest rate contracts and cross currency swap assets and liabilities are classified within Level 2 of the fair value hierarchy as the valuation inputs are based on estimates using currency spot and forward rates and standard pricing models that consider the value of future cash flows as of the balance sheet date, discounted to a present value using discount factors that match both the time to maturity and currency of the underlying instruments. These standard pricing models utilize inputs that are derived from or corroborated by observable market data such as interest rate yield curves as well as currency spot and forward rates. When designated as hedging instruments, changes in the fair value of these contracts are reported as a component of other comprehensive income (loss). When not designated as hedging instruments, changes in fair value of these contracts are reported within Other non-operating income (expense), net in the consolidated statements of operations.

Sinclair Performance Warrants

Sinclair Performance Warrants are accounted for as a derivative instrument classified as a liability within Level 3 of the hierarchy as the warrants are not traded in active markets and are subject to certain assumptions and estimates made by management related to the probability of meeting performance milestones. These assumptions and the probability of meeting performance targets may have a significant impact on the value of the warrant. The Performance Warrants are valued using an option pricing model, considering the Company's estimated probabilities of achieving the performance milestones for each tranche. Inputs to this valuation approach include volatility between 40% and 67%, risk free rates between 3.84% and 4.79%, the Company's common stock price for each period and expected terms between 1.5 and 6.3 years. The fair value is recorded within "Other long-term liabilities" in the consolidated balance sheets.

Contingent consideration

Contingent consideration related to acquisitions is recorded at fair value as a liability on the acquisition date and subsequently remeasured at each reporting date, based on significant inputs not observable in the market, which represents a Level 3 measurement within the fair value hierarchy. The remeasurements are based primarily on the expected probability of achievement of the contingency targets which are subject to management's estimates. These changes in fair value are recognized within "Other, non-operating expenses, net" in the consolidated statements of operations.

In connection with the acquisitions of SportCaller and Monkey Knife Fight ("MKF") in the first quarter of 2021, the Company recorded contingent consideration of $58.7 million. During the second quarter of 2023, the Company, in satisfaction of contingencies related to the respective acquisition agreements, settled the remaining contingent consideration of $9.3 million, comprised of 386,926 immediately exercisable penny warrants, 103,656 shares of Bally's Corporation common stock and a de minimis payment in cash.

In connection with the acquisition of Bally's Golf Links on September 12, 2023, the Company recorded contingent consideration, which was valued at $59.9 million as of December 31, 2024. Refer to Note 7 "Business Combinations" for further information.

Investment in GLPI Partnership

The Company holds a limited partnership interest in GLP Capital, L.P., the operating partnership of GLPI. The investment is reported at fair value based on Level 2 inputs, with changes to fair value included within "Other non-operating income (expense), net" in the consolidated statements of operations.

Long-term debt

The fair value of the Company's Term Loan Facility and unsecured notes are estimated based on quoted prices in active markets and are classified as Level 1 measurements. The fair value of the Revolving Credit Facility approximates its carrying amount as it is revolving, variable rate debt, and is also classified as a Level 1 measurement. In the table below, the carrying amounts of the Company's long-term debt is net of debt issuance costs and debt discounts. Refer to Note 17 "Long-Term Debt" for further information.

	December 31, 2024		December 31, 2023	
(in thousands)	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Term Loan Facility	$ 1,858,800	$ 1,792,804	$ 1,871,330	$ 1,888,100
5.625% Senior Notes due 2029	738,517	587,813	736,447	596,250
5.875% Senior Notes due 2031	721,456	535,631	719,858	570,544

14. ACCRUED AND OTHER CURRENT LIABILITIES

As of December 31, 2024 and 2023, accrued and other current liabilities consisted of the following:

	December 31,	
(in thousands)	2024	2023
Gaming liabilities	$ 187,233	$ 177,557
Diamond Sports Group non-cash settlement[(1)]	—	144,883
Compensation	66,356	83,112
Interest payable	60,792	66,587
Bally's Chicago - land development liability	—	47,739
Insurance reserve	23,898	20,990
Other	143,013	110,851
Total accrued and other current liabilities	$ 481,292	$ 651,719

(1) Refer to Note 15 "Strategic Partnership - Sinclair Broadcast Group" for further information

15. STRATEGIC PARTNERSHIP - SINCLAIR BROADCAST GROUP

In 2020, the Company and Sinclair entered into a Framework Agreement (the "Framework Agreement") providing for a long-term strategic relationship between Sinclair and the Company. Under the Framework Agreement, the Company paid annual fees in cash, issued warrants and options and agreed to share tax benefits and received naming, integration and other rights, including access to Sinclair's Tennis Channel, Stadium Sports Network and STIRR streaming service. Under a Commercial Agreement (the "Commercial Agreement") contemplated by the Framework Agreement, the Company paid annual fees to Diamond Sports Group ("Diamond"), a Sinclair subsidiary, for naming rights over Diamond's regional sports networks ("RSNs") and other consideration.

In 2023, Diamond commenced reorganization proceedings under Chapter 11 of the Bankruptcy Code, and commenced litigation against Sinclair, Bally's and others as part of its bankruptcy proceedings, and in 2024, agreed to settle its claims against all defendants, including Bally's (the "Settlement Agreement"). Pursuant to the settlement terms, Diamond would receive payments from Sinclair and would reject the Commercial Agreement. Bally's would continue to have naming rights on Diamond's RSNs through the 2024 major league baseball season at no cost to either party (unless Diamond agrees with a new counterparty that will pay for such naming rights). Bally's, in turn, would receive a release of all claims Diamond may have against it. Separately, Bally's and Sinclair agreed that their relative rights and obligations under the Framework Agreement and all agreements contemplated thereby would terminate, except for rights and obligations in respect of certain local broadcast television station integrations under the Commercial Agreement, and except for their respective rights and obligations under the Option Agreement (regarding the Options referenced below), the Warrant Agreement (regarding the Penny Warrants referenced below), the Performance Warrant Agreement (regarding the Performance Warrants referenced below), the Registration Rights Agreement, the Investor Rights Agreement and the Tax Receivable Agreement. Bally's obligation to pay Diamond for the naming rights terminated upon the bankruptcy court's approval of the settlement terms, which the court approved on March 1, 2024 and in turn, the Company derecognized the rights fees liability against the non-cash settlement liability established as of December 31, 2023. The Company's non-cash settlement liability reflects the effect of the termination of naming rights on its remaining commercial rights intangible asset originally recorded at the time the Framework Agreement. As of December 31, 2023, the non-cash settlement liability was 144.9 million.

The Company accounted for its relationship with Sinclair under the Framework Agreement as an asset acquisition in accordance with the "Acquisition of Assets Rather Than a Business" subsections of ASC 805-50, *Business Combinations—Related Issues*, using a cost accumulation model. The total intangible asset ("Commercial rights intangible asset"), prior to its derecognition in 2024, represented the present value of the naming rights fees and other consideration, including the fair value of the warrants and options, and an estimate of the tax-sharing payments, each explained below.

The present value of the naming rights fees was recorded as part of intangible assets, with a corresponding liability, which accreted through interest expense through the termination date of the Commercial Agreement. As of December 31, 2023, Commercial rights intangible asset, net of accumulated amortization, was $225.9 million. As of December 31, 2023, the short-term portion of the liability, which was $8.0 million, was recorded within "Accrued and other current liabilities", and the long-term portion of the liability, which was $49.7 million, was reflected within "Other long-term liabilities" in our consolidated balance sheets.

Pursuant to the Settlement Agreement, in the fourth quarter of 2024, after the completion of the 2024 major league baseball season, the Company derecognized the Commercial rights intangible asset, relieving the Company's non-cash settlement liability, and as such, there are no associated remaining balances as of December 31, 2024.

Under the Framework Agreement, the Company issued to Sinclair warrants to purchase up to 4,915,726 shares of the Company at an exercise price of $0.01 per share ("the Penny Warrants"), a warrant to purchase up to 3,279,337 shares of the Company at a price of $0.01 per share, subject to the achievement of various performance metrics (the "Performance Warrants"), and an option to purchase up to 1,639,669 additional shares, in four tranches with purchase prices ranging from $30.00 to $45.00 per share, exercisable over a seven-year period beginning in November 2024 (the "Options"). Additionally, the Company is required to share 60% of the tax benefit it realizes from the Penny Warrants, Options, Performance Warrants and other related payments. Changes in the estimate of the tax benefit to be realized and tax rates in effect at the time, among other changes, was treated as an adjustment to the intangible asset. Refer to Note 13 "Fair Value Measurements" and Note 25 "Subsequent Events" for further information on the Performance Warrants and Options.

16. RESTRUCTURING EXPENSE

In, 2023, the Company announced a restructuring plan of the Interactive business intended to reduce operating costs and continue the Company's commitment to achieving profitable operations in its North America Interactive segment, which included a reduction of the Company's then current Interactive workforce, and reshaping the technology utilized by both of its Interactive segments.

During 2024, the Company announced that it would cease its operations at the Tropicana Las Vegas on April 2, 2024 in order to redevelop the site with a state-of-the-art integrated resort and ballpark. As a result of the closure, the Company incurred restructuring charges representing employee-related severance costs and accelerated depreciation of certain property and equipment.

The components of restructuring charges by segment, for the years ended December 31, 2024 and 2023, are summarized as follows:

	Year Ended December 31,	
(in thousands)	**2024**	**2023**
Severance and employee related benefits[1]		
Casinos & Resorts	$ 20,037	$ —
International Interactive	(794)	19,591
North America Interactive	(1,732)	9,735
Other	410	1,688
Total severance and employee related benefits	17,921	31,014
Accelerated depreciation expense[2]	80,117	—
Impairment[3]	—	5,745
Total restructuring charges	$ 98,038	$ 36,759

(1) Included within "General and administrative" in the consolidated statements of operations.
(2) Included within "Depreciation and amortization" of the Casinos & Resorts reportable segment in the consolidated statements of operations.
(3) Included within "Impairment charges" of the North America Interactive reportable segment in the consolidated statements of operations.

The changes in the Company's restructuring related liabilities for the years ended December 31, 2024 and 2023 were as follows:

(in thousands)	
Balance as of December 31, 2022	$ —
Charges	31,014
Payments	(26,649)
Effect of foreign exchange	926
Balance as of December 31, 2023	5,291
Charges	17,921
Payments	(22,370)
Effect of foreign exchange	(842)
Balance as of December 31, 2024	$ —

The restructuring liability as of December 31, 2024 and 2023 is included within "Accrued and other current liabilities" on the consolidated balance sheets.

17. LONG-TERM DEBT

As of December 31, 2024 and 2023, long-term debt consisted of the following:

	December 31,	
(in thousands)	**2024**	**2023**
Term Loan Facility[(1)]	$ 1,886,650	$ 1,906,100
Revolving Credit Facility	—	335,000
5.625% Senior Notes due 2029	750,000	750,000
5.875% Senior Notes due 2031	735,000	735,000
Less: Unamortized original issue discount	(19,760)	(23,756)
Less: Unamortized deferred financing fees	(33,117)	(39,709)
Long-term debt, including current portion	3,318,773	3,662,635
Less: Current portion of Term Loan and Revolving Credit Facility	(19,450)	(19,450)
Long-term debt, net of discount and deferred financing fees; excluding current portion	$ 3,299,323	$ 3,643,185

(1) The Company has a series of interest rate and cross currency swap derivatives to synthetically convert $500.0 million notional of the Company's in USD denominated variable rate Term Loan Facility into fixed rate debt through its maturity in 2028. Refer to Note 12 "Derivative Instruments" for further information.

Unsecured Notes

On August 20, 2021, two unrestricted subsidiaries (together, the "Escrow Issuers") of the Company issued $750.0 million aggregate principal amount of 5.625% senior notes due 2029 (the "2029 Notes") and $750.0 million aggregate principal amount of 5.875% senior notes due 2031 (the "2031 Notes" and, together with the 2029 Notes, the "Unsecured Notes"). The Unsecured Notes were issued pursuant to an indenture, dated as of August 20, 2021, among the Escrow Issuers and U.S. Bank National Association, as trustee. Certain of the net proceeds from the Unsecured Notes offering were placed in escrow accounts for use in connection with the Gamesys acquisition. On October 1, 2021, upon the closing of the Gamesys acquisition, the Company assumed the issuer obligation under the Unsecured Notes. The Unsecured Notes are guaranteed, jointly and severally, by each of the Company's restricted subsidiaries that guarantees the Company's obligations under its Credit Agreement (as defined below).

The 2029 Notes mature on September 1, 2029 and the 2031 Notes mature on September 1, 2031. Interest is payable on the Unsecured Notes in cash semi-annually on March 1 and September 1 of each year, beginning on March 1, 2022.

The Company may redeem some or all of the 2031 Notes at any time prior to September 1, 2026 at a price equal to 100% of the principal amount of the 2031 Notes to be redeemed plus a "make-whole" premium, plus accrued and unpaid interest. The Company may redeem some or all of the Senior Notes at any time on or after September 1, 2024, in the case of the 2029 Notes, and September 1, 2026, in the case of the 2031 Notes, at certain redemption prices set forth in the indenture plus accrued and unpaid interest.

During the year ended December 31, 2023, the Company repurchased and retired $15.0 million of the 2031 Notes at a weighted average price of 70.80% of the principal. In connection with the repurchase of these 2031 Notes, the Company recorded a gain on extinguishment of debt of $4.0 million recorded within "Other non-operating income, net" in the consolidated statements of operations.

The indenture contains covenants that limit the ability of the Company and its restricted subsidiaries to, among other things, (1) incur additional indebtedness, (2) pay dividends on or make distributions in respect of capital stock or make certain other restricted payments or investments, (3) enter into certain transactions with affiliates, (4) sell or otherwise dispose of assets, (5) create or incur liens and (6) merge, consolidate or sell all or substantially all of the Company's assets. These covenants are subject to exceptions and qualifications set forth in the indenture.

Secured Notes

On February 7, 2025, in connection with the Merger, the Company issued $500.0 million of new first lien senior secured notes, maturing on October 2, 2028, at a rate per annum equal to 11.00, payable quarterly in arrears. Refer to Note 25 "Subsequent Events" for further information.

Credit Facility

On October 1, 2021, the Company and certain of its subsidiaries entered into a credit agreement (the "Credit Agreement") with Deutsche Bank AG New York Branch, as administrative agent and collateral agent, and the other lenders party thereto, providing for senior secured financing of up to $2.565 billion, consisting of a senior secured term loan facility in an aggregate principal amount of $1.945 billion (the "Term Loan Facility"), which will mature in 2028, and a senior secured revolving credit facility in an aggregate principal amount of $620.0 million (the "Revolving Credit Facility"), which will mature in 2026.

The credit facilities allow the Company to increase the size of the Term Loan Facility or request one or more incremental term loan facilities or increase commitments under the Revolving Credit Facility or add one or more incremental revolving facilities in an aggregate amount not to exceed the greater of $650 million and 100% of the Company's consolidated EBITDA for the most recent four-quarter period plus or minus certain amounts as specified in the Credit Agreement, including an unlimited amount subject to compliance with a consolidated total secured net leverage ratio as set out in the Credit Agreement.

The credit facilities are guaranteed by the Company's restricted subsidiaries, subject to certain exceptions, and secured by a first-priority lien on substantially all of the Company's and each of the guarantors' assets, subject to certain exceptions.

As of June 30, 2023, with the discontinuation of the LIBOR reference rate, borrowings under the credit facilities bear interest at a rate equal to, at the Company's option, either (1) the term Secured Overnight Financing Rate ("SOFR"), adjusted for certain additional costs and subject to a floor of 0.50% in the case of term loans and 0.00% in the case of revolving loans or (2) a base rate determined by reference to the greatest of (a) the federal funds rate plus 0.50%, (b) the prime rate, (c) the one-month SOFR rate plus 1.00%, (d) solely in the case of term loans, 1.50% and (e) solely in the case of revolving loans, 1.00%, in each case of clauses (1) and (2), plus an applicable margin. In addition, on a quarterly basis, the Company is required to pay each lender under the Revolving Credit Facility a 0.50% or 0.375% commitment fee in respect of commitments under the Revolving Credit Facility, with the applicable commitment fee determined based on the Company's total net leverage ratio.

The credit facilities contain covenants that limit the ability of the Company and its restricted subsidiaries to, among other things, incur additional indebtedness, pay dividends or make certain other restricted payments, sell assets, make certain investments and grant liens. These covenants are subject to exceptions and qualifications set forth in the Credit Agreement. The Revolving Credit Facility contains a financial covenant regarding a maximum first lien net leverage ratio that applies when borrowings under the Revolving Credit Facility exceed 30% of the total revolving commitment. As of December 31, 2024, the Company was in compliance with all such covenants.

In an effort to mitigate the interest rate risk associated with the Company's variable rate credit facilities, the Company entered into a series of interest rate and cross currency swap derivative transactions during the second half of 2023. Refer to Note 12 "Derivative Instruments" for further information.

Debt Maturities

As of December 31, 2024, the contractual annual principal maturities of long-term debt, including the Revolving Credit Facility, are as follows:

(in thousands)	
2025	$ 19,450
2026	19,450
2027	19,450
2028	1,828,300
2029	750,000
Thereafter	735,000
	$ 3,371,650

18. LEASES

Operating Leases

The Company is committed under various operating lease agreements for real estate and property used in operations. Certain leases include various renewal options which are included in the lease term when the Company has determined it is reasonably certain of exercising the options. Certain of these leases include percentage rent payments based on property revenues and/or rent escalation provisions determined by increases in the CPI. These percentage rent and escalation provisions are treated as variable lease payments and recognized as lease expense in the period in which the obligation for those payments are incurred. Discount rates used to determine the present value of the lease payments are based on the Company's incremental borrowing rate commensurate with the term of the lease.

The Company had total operating lease liabilities of $1.62 billion and $1.20 billion as of December 31, 2024 and 2023, respectively, and right of use assets of $1.54 billion and $1.16 billion as of December 31, 2024 and 2023, respectively, which were included in the consolidated balance sheets.

GLPI Leases

As of December 31, 2024, the Company's Bally's Evansville, Bally's Dover, Bally's Quad Cities, Bally's Black Hawk, Bally's Tiverton and Hard Rock Biloxi properties are leased under the terms of a master lease agreement (the "Master Lease No.1") with GLPI. All GLPI leases are accounted for as operating leases within the provisions of ASC 842, over the lease term or until a re-assessment event occurs. The Master Lease No.1 has an initial term of 15 years and includes four, five-year options to renew and requires combined minimum annual payments of $100.5 million, subject to minimum 1% annual escalation or greater escalation dependent on CPI. The renewal options are not reasonably certain of exercise as of December 31, 2024.

In addition to the properties under the Master Lease No.1 explained above, the Company also entered into a lease with GLPI for the land associated with Tropicana Las Vegas. This lease has an initial term of 50 years (with a maximum term of 99 years with renewal options) at annual rent of $10.5 million, subject to minimum 1% annual escalation or greater escalation dependent on CPI. In 2024, the Company modified the lease and GLPI paid $48.6 million to the Company to fund the demolition of the building at the Tropicana Las Vegas site in exchange for increasing annual rent by $4.1 million, subject to a minimum 1% annual increase or greater based on CPI, for a total modified annual rent of $14.6 million. This lease modification did not change the lease classification. The cash received is treated as a lessor incentive, leading to an adjustment in the Right of Use asset for the total funding amount. Upon modification, the Lease Liability and Right of Use asset were adjusted to reflect the present value of the increased future lease payment. The renewal options are not reasonably certain of exercise as of December 31, 2024.

In 2024, the Company completed the sale lease-back transaction of certain real property interests underlying Bally's Kansas City and Bally's Shreveport to GLPI for $394.8 million under the terms of a new master lease agreement (the "Master Lease No.2"), with an initial term of 15 years, including four, five-year options to renew and minimum annual payments of $32.2 million, subject to minimum 1 annual escalation or greater escalation dependent on CPI. The transaction was structured as a tax-free capital contribution and a substantial portion of the proceeds was used to reduce the Company's debt. The renewal options are not reasonably certain of exercise as of December 31, 2024. Under the terms of the Master Lease No.2, the Company assigned its rights and obligations related to existing ground leases underlying the Bally's Kansas City and Bally's Shreveport properties to GLPI, while remaining responsible to GLPI for rent under these leases as additional charges. This resulted in the termination of the previous right of use assets and lease liabilities related to the land leases and a gain of $26.4 million. In connection with the sale of the Bally's Kansas City and Bally's Shreveport assets, the Company recorded a gain of $209.8 million representing the difference in the transaction price and the derecognition of assets. These gains are reflected as "Gain from sale-leaseback, net" in the consolidated statements of operations.

Components of the Company's lease costs during the years ended December 31, 2024, 2023 and 2022 were as follows:

	Year Ended December 31,		
(in thousands)	**2024**	**2023**	**2022**
Operating lease expense[1]			
Operating lease cost	$ 157,829	$ 148,375	$ 75,675
Variable lease cost	12,121	10,360	8,386
Operating lease expense	169,950	158,735	84,061
Short-term lease expense	22,871	13,249	17,536
Total operating lease expense	$ 192,821	$ 171,984	$ 101,597
Gain on sale lease-back, net[2][3]	$ 86,254	$ 374,321	$ 50,766

(1) Included within "General and administrative" in the Consolidated Statements of Operations
(2) Included within "Gain on sale-leaseback, net" in the Consolidated Statements of Operations.
(3) Gain on sale-leaseback, net is related to Bally's Kansas City, Bally's Shreveport and the Company's Bally's Chicago project during the year ended December 31, 2024, the Hard Rock Biloxi and Bally's Tiverton properties during the year ended December 31, 2023, and Bally's Quad Cities and Bally's Black Hawk ("Bally's Black Hawk") during the year ended December 31, 2022.

Supplemental cash flow and other information related to operating leases for the year ended December 31, 2024 and 2023, are as follows:

	Year Ended December 31,		
($ in thousands)	**2024**	**2023**	**2022**
Cash paid for amounts included in the lease liability - operating cash flows from operating leases	$ 145,891	$ 132,871	$ 68,689
Right of use assets obtained in exchange for operating lease liabilities	$ 495,747	$ 406,043	$ 341,747
Derecognition of financing obligation	$ (200,000)	$ —	$ —

	December 31, 2024	**December 31, 2023**
Weighted average remaining lease term	26.2 years	17.6 years
Weighted average discount rate	8.5 %	7.5 %

As of December 31, 2024, future minimum lease payments under noncancelable operating leases are as follows:

(in thousands)		
2025	$	199,690
2026		200,068
2027		194,964
2028		197,307
2029		197,857
Thereafter		3,868,745
Total lease payments		4,858,631
Less: present value discount		(3,238,325)
Lease obligations	$	1,620,306

Financing Obligation

Bally's Chicago Operating Company, LLC., an indirect wholly-owned subsidiary of the Company, entered into a ground lease for the land on which Bally's Chicago will be built, which is accounted for as a financing obligation in accordance with ASC 470, *Debt,* as the transaction did not qualify as a sale under ASC 842. The lease commenced November 18, 2022 and has a 99-year term followed by ten separate 20-year renewals at the Company's option.

The Company recorded land within "Property and equipment, net" of $200.0 million with a corresponding liability within "Long-term portion of financing obligation" of $200.0 million on its consolidated balance sheets as of December 31, 2023. All lease payments were recorded as interest expense and there was no reduction to the financing obligation over the lease term. Bally's Chicago made cash payments, and recorded corresponding interest expense, of $12.4 million, $17.4 million and $2.0 million during the years ended December 31, 2024, 2023 and 2022, respectively.

In the third quarter of 2024, GLP, an affiliate of GLPI, acquired the real estate underlying the Bally's Chicago project, for which the Company was subject to the financing obligation, and assumed the existing lease. The lease with GLP was amended in the third quarter, creating a lease modification event whereby the land components previously classified as a financing obligation were reassessed and now classified as an operating lease. This change was due to the transfer of control of the land asset from the Company to the lessor, which permitted sale recognition in accordance with ASC 842. As a result of this reassessment, the Company derecognized $350.0 million from "Property and equipment, net related to the land asset and $200.0 million from the "Long-term portion of financing obligation" within our consolidated balance sheets. As a result of the lease modification, a $150.0 million offset in "Gain on sale-leaseback, net" was recorded in the consolidated statements of operations during the year ended December 31, 2024.

Pending Lease Transactions

On July 11, 2024, the Company entered into a Binding Term Sheet to form a strategic construction and financing arrangement with GLP which includes the funding to complete the construction of Bally's Chicago's permanent casino. On September 11, 2024, GLP completed its acquisition of the land on which we will build the permanent casino (as provided in the Binding Term Sheet), and we entered into an amendment to the existing land lease with GLP (as the new landlord) to reflect certain provision of the Binding Term Sheet. The Binding Term Sheet further provides that GLPI will enter into a new master lease agreement with Bally's Chicago Operating Company, LLC ("Chicago MLA"). The amended ground lease with GLP includes, and the Chicago MLA will include, annual rent of $20 million, subject to customary escalation provisions. The Chicago MLA also provides up to $940 million in construction financing, subject to conditions and approvals. The Company will pay additional rent under the Chicago MLA based on a 8.5% capitalization rate on funded amounts. The initial lease term for the Chicago MLA will be for 15 years with renewal options to be agreed upon by the parties.

Lessor

The Company leases its hotel rooms to patrons and records the corresponding lessor revenue in "Non-gaming revenue" within our consolidated statements of operations. For the years ended December 31, 2024, 2023, and 2022, the Company recognized $148.7 million, $200.7 million and $153.8 million of lessor revenues related to the rental of hotel rooms, respectively. Hotel leasing arrangements vary in duration, but are short-term in nature.

19. EQUITY PLANS

Equity Incentive Plans

As of December 31, 2024, the Company has one equity incentive plan: the Bally's Corporation 2021 Equity Incentive Plan ("2021 Incentive Plan"). The 2021 Incentive Plan was approved by shareholders at its 2021 Annual Meeting of Shareholders effective May 18, 2021. The 2021 Incentive Plan provides for the grant of stock options, RSAs, RSUs, PSUs and other awards (including those with performance-based vesting criteria) (collectively, "restricted awards" to employees, directors or consultants of the Company. As of December 31, 2024, 1.4 million shares were available for grant under the 2021 Incentive Plan.

Share-Based Compensation

The Company recognized total share-based compensation expense of $14.8 million, $24.1 million and $27.9 million for the years ended December 31, 2024, 2023 and 2022, respectively. The total income tax benefit for share-based compensation arrangements was $3.9 million, $6.2 million, and $7.1 million, for the years ended December 31, 2024, 2023 and 2022, respectively.

As of December 31, 2024, there was $9.7 million of unrecognized compensation cost related to outstanding share-based compensation arrangements (including stock options, RSA, RSU and PSU arrangements) which is expected to be recognized over a weighted average period of 1.4 years.

Restricted Stock Units and Performance-Based Restricted Stock Units

Under the 2021 Incentive Plan, RSUs and PSUs have been awarded to eligible employees, members of the Company's senior management and certain members of its Board of Directors. Each RSU and PSU represents the right to receive one share of the Company's common stock. RSUs generally vest in one-third increments over a three year period and compensation cost is recognized over the respective service periods based on the grant date fair value. PSUs generally vest over a three year period depending on the individual award agreement and become eligible for vesting upon attainment of performance objectives for the performance period. The number of PSUs that may become eligible for vesting varies and is dependent upon whether the performance targets are met, partially met or exceeded each year. The fair value of RSUs and PSUs is based on the Company's common stock price as of the grant date.

The following summary presents information of equity-classified RSU and PSU activity for the year ended December 31, 2024:

	Restricted Stock Units	Performance Stock Units	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2023	1,176,611	347,817	$ 20.83
Granted	420,366	502,125	12.12
Vested	(526,907)	(370,713)	21.18
Forfeited	(88,730)	(153,074)	13.17
Outstanding at December 31, 2024	981,340	326,155	$ 15.85

The weighted average grant date fair value for RSUs and PSUs was $12.12, $18.58 and $30.13 in 2024, 2023, and 2022, respectively.

The total intrinsic value of RSUs vested was $6.9 million, $8.5 million and $15.3 million, for the years ended December 31, 2024, 2023, and 2022, respectively.

For PSU awards, performance objectives for each year are established no later than 90 days following the start of the year. As the performance targets have not yet been established for the PSUs that are eligible to be earned in 2025 or later, a grant date has not yet been established for those awards in accordance with ASC 718. The grant date for the 2024, 2023, and 2022 performance periods have been established and, based upon achievement of the performance criteria for the years ended December 31, 2024, 2023, and 2022, 326,155, 348,835 and 62,133 PSUs, respectively, became eligible for vesting.

20. STOCKHOLDERS' EQUITY

Capital Return Program

The Company has a Board of Directors approved capital return program under which the Company may expend a total of up to $700 million for share repurchases and payment of dividends. Future share repurchases may be effected in various ways, which could include open-market or private repurchase transactions, accelerated stock repurchase programs, tender offers or other transactions. The amount, timing and terms of any return of capital transaction will be determined based on prevailing market conditions and other factors. There is no fixed time period to complete share repurchases. As of December 31, 2024, $95.5 million was available for use under the capital return program.

There was no repurchase activity during the year ended December 31, 2024. Total share repurchase activity during the years ended December 31, 2023 and 2022 is as follows:

	Year Ended December 31,	
(in thousands, except share and per share data)	**2023**	**2022[1]**
Number of common shares repurchased	7,581,428	6,621,841
Total cost	$ 99,081	$ 153,366
Average cost per share, including commissions	$ 13.07	$ 23.16

(1) Includes 4.7 million shares repurchased from the Company's modified Dutch auction tender offer completed July 27, 2022 at a price of $22.00 per share for an aggregate purchase price of $103.3 million.

All shares repurchased during the years ended December 31, 2023 and 2022 were transferred to treasury stock. The Company retired 7,581,428 and 7,394,642 shares of its common stock held in treasury during the years ended December 31, 2023 and 2022, respectively. The shares were returned to the status of authorized but unissued shares. As of December 31, 2024, there were no shares remaining in treasury.

There were no cash dividends paid during the years ended December 31, 2024, 2023, and 2022.

Preferred Stock

The Company has authorized the issuance of up to 10 million shares of $0.01 par value preferred stock. As of December 31, 2024 and 2023, no shares of preferred stock have been issued.

Shares Outstanding

As of December 31, 2024, the Company had 40,787,007 common shares issued and outstanding. The Company issued warrants, options and other contingent consideration in acquisitions and strategic partnerships that are expected to result in the issuance of common shares in future periods resulting from the exercise of warrants and options or the achievement of certain performance targets. These incremental shares are summarized below:

Sinclair Penny Warrants[1] (Note 15)	7,911,724
Sinclair Performance Warrants[2] (Note 15)	3,279,337
Sinclair Options[1] (Note 15)	1,639,669
MKF Penny warrants (Note 13)	44,128
Outstanding awards under Equity Incentive Plans (Note 19)	1,307,495
	14,182,353

(1) As of December 31, 2024 and 2023, the Options consists of four equal tranches to purchase shares with exercise prices ranging from $30.00 to $45.00 per share, exercisable over a seven-year period beginning on the fourth anniversary of the November 18, 2020 closing of the Framework Agreement. Pursuant to the Support Agreement, on February 7, 2025, all remaining Options were returned to Bally's in exchange for an additional 384536 Penny Warrants. Refer to Note 25 "Subsequent Events" for further information.

(2) On February 7, 2025, the consummation of the Merger constituted a Change of Control under the Framework Agreement and as such, all performance warrants became immediately exercisable at a price of $0.01 per share. Refer to Note 25 "Subsequent Events" for further information

Accumulated Other Comprehensive Loss

The following table reflects the change in accumulated other comprehensive loss by component for the years ended December 31, 2024, 2023 and 2022:

(in thousands)	Foreign Currency Translation Adjustment[1]	Benefit Plans	Cash Flow Hedges[2]	Net Investment Hedges[3]	Total
Accumulated other comprehensive loss at December 31, 2021	$ (25,833)	$ (976)	$ —	$ —	$ (26,809)
Other comprehensive income (loss) before reclassifications	(270,151)	1,911	—	—	(268,240)
Reclassifications from accumulated other comprehensive income (loss) to earnings	—	—	—	—	—
Tax effect	—	(591)	—	—	(591)
Accumulated other comprehensive loss at December 31, 2022	(295,984)	344	—	—	(295,640)
Other comprehensive income (loss) before reclassifications	118,781	977	(14,183)	(18,116)	87,459
Reclassifications from accumulated other comprehensive income (loss) to earnings	—	—	(1,953)	(1,350)	(3,303)
Effects of settlement (Note 2)	—	(244)	—	—	(244)
Tax effect	—	(191)	4,890	(2,529)	2,170
Accumulated other comprehensive income (loss) at December 31, 2023	(177,203)	886	(11,246)	(21,995)	(209,558)
Other comprehensive income (loss) before reclassifications	(79,853)	1,172	16,003	24,843	(37,835)
Reclassifications from accumulated other comprehensive income (loss) to earnings	(4,689)	—	(11,031)	5,420	(10,300)
Tax effect	—	(312)	(1,915)	(347)	(2,574)
Accumulated other comprehensive income (loss) at December 31, 2024	$ (261,745)	$ 1,746	$ (8,189)	$ 7,921	$ (260,267)

(1) Reclassifications from accumulated other comprehensive income (loss) to earnings includes the foreign currency translation adjustment of $(4.7) million released related to the Company's sale of the Carved-Out Business (refer to Note 8 "Dispositions" for further information).
(2) As of December 31, 2024, approximately $1.9 million of existing gains and losses are estimated to be reclassified into earnings within the next 12 months.
(3) Reclassifications from accumulated other comprehensive income (loss) to earnings includes $9.1 million released as a result of dedesignating a EUR-GBP cross currency swap related to the Company's sale of the Carved-Out Business (refer to Note 8 "Dispositions" for further information).

21. INCOME TAXES

The components of income (loss) before taxes are as follows:

	Years Ended December 31,		
(in thousands)	2024	2023	2022
Domestic	$ (456,728)	$ (244,412)	$ (444,549)
Foreign	(95,774)	58,674	(9,920)
Total	$ (552,502)	$ (185,738)	$ (454,469)

The components of the provision (benefit) for income taxes are as follows:

	Years Ended December 31,		
(in thousands)	**2024**	**2023**	**2022**
Current taxes			
Federal	$ (3,219)	$ (4,419)	$ 9,318
State	1,390	3,673	8,289
Foreign	(6,866)	26,431	41,599
	(8,695)	25,685	59,206
Deferred taxes			
Federal	(18,326)	11,302	(32,304)
State	(10,789)	720	(9,429)
Foreign	53,062	(35,945)	(46,396)
	23,947	(23,923)	(88,129)
Provision (benefit) for income taxes	$ 15,252	$ 1,762	$ (28,923)

The effective rate varies from the statutory US federal tax rate as follows:

	Years Ended December 31,		
(in thousands)	**2024**	**2023**	**2022**
Income tax (benefit) expense at statutory federal rate	$ (116,025)	$ (39,009)	$ (95,439)
State income taxes, net of federal effect	(30,390)	(14,716)	(10,096)
Foreign tax rate adjustment	64,884	(50,082)	(17,455)
Nondeductible professional fees	3,117	430	1,370
Other permanent differences including lobbying expense	(8,906)	1,066	2,414
Share-based compensation	992	2,577	3,348
Gain on bargain purchases	—	—	22
CARES Act	(3,153)	—	—
Return to provision adjustments	6,455	(8,810)	(2,275)
Global intangible low-tax income ("GILTI")	17,941	14,333	2,404
Goodwill	—	—	28,935
Change in uncertain tax positions	681	1,103	(2,224)
Change in valuation allowance	79,656	94,870	60,073
Total provision (benefit) for income taxes	$ 15,252	$ 1,762	$ (28,923)
Effective income tax rate on continuing operations	(2.8)%	(0.9)%	6.4 %

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred income taxes at December 31, 2024 and 2023 are as follows:

	Years Ended December 31,	
(in thousands)	**2024**	**2023**
Deferred tax assets:		
Interest	283,757	195,628
Net operating loss carryforwards	44,510	28,468
Property and equipment	26,911	—
Accrued and other current liabilities	21,681	44,707
Framework Agreement liabilities	20,344	31,376
Share-based compensation	5,876	7,818
Goodwill	—	—
Valuation allowance	(234,599)	(154,943)
Total deferred tax assets, net	168,480	153,054
Deferred tax liabilities:		
Land	(4,167)	(4,142)
Property and equipment	—	(46,472)
Change in accounting method	(281)	(280)
RI Joint Venture and GLPI Partnership	(175,614)	(108,598)
Amortizable assets	(104,323)	(83,118)
Total deferred tax liabilities	(284,385)	(242,610)
Net deferred tax liabilities	$ (115,905)	$ (89,556)

The Company will only recognize a deferred tax asset when, based on available evidence, realization is more likely than not. The Company has assessed its deferred tax liabilities arising from taxable temporary differences and has concluded such liabilities are not a sufficient source of income for the realization of deferred tax assets, including indefinite life taxable temporary differences which offset, subject to limitation, deferred tax assets with unlimited carryovers, such as the Section 163(j) interest limitation. Accordingly, a $234.6 million and $154.9 million valuation allowance has been established as of December 31, 2024 and 2023, respectively. The change in valuation allowance for the years ended December 31, 2024, 2023, and 2022 was $79.7 million, $94.9 million, and $60.1 million, respectively.

At December 31, 2024, the Company's cash and cash equivalents totaled $171.2 million, of which approximately 7% was held in locations outside the US. The Company does not reinvest undistributed earnings, and accordingly, the Company has determined that no deferred tax liability is required for undistributed foreign earnings at December 31, 2024 and 2023 and will continue to monitor for future changes.

For the years ended December 31, 2024 and 2023 the net deferred tax liabilities increased by $26.3 million and decreased by $22.9 million, respectively. For the year ended December 31, 2024, an increase of $23.9 million was included in income from operations, offset by a decrease related to the foreign exchange remeasurement of $0.3 million, and an increase of $2.6 million was included in other comprehensive loss. For the year ended December 31, 2023, a decrease of $23.9 million was included in income from operations, a decrease related to the foreign exchange remeasurement of $1.2 million, and offset by an increase of $2.2 million included in other comprehensive loss.

As of December 31, 2024, the Company has $71.8 million of federal net operating carryforwards subject to a section 382 limitation with an unlimited carryforward period. There was $25.4 million of federal net operating carryforwards subject to a section 382 limitation with an unlimited carryforward period as of December 31, 2023. As of December 31, 2024 and 2023, the Company had $405.2 million and $310.3 million of state net operating loss carryforwards, respectively, which expire at various dates through 2041.

The Internal Revenue Code (IRC) Section 382 provides for a limitation of the annual use of net operating loss and tax credit carryforwards following certain ownership changes (as defined by the IRC Section 382) that limits the Company's ability to utilize these carryforwards prior to expiration. Section 382 can also apply when we acquire subsidiaries with net operating loss carryforwards, as there may be limitations on the use of acquired net operating losses against our taxable income. As of December 31, 2024, the Company expects to utilize all acquired tax attributes prior to expiration.

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") provides opportunities for additional liquidity, loan guarantees, and other government programs to support companies affected by the COVID-19 pandemic and their employees, including those that operate in the gaming area. The benefits of the CARES Act that were available to us included:

a. refund of federal income taxes due to five-year carryback of net operating loss incurred in 2020 when our 2020 tax return was filed in 2021;
b. relaxation of interest expense deduction limitation for income tax purposes; and
c. the employee retention credit, providing a refundable federal tax credit equal to 50% of the first $10,000 of qualified wages and benefits, including qualified medical plan contributions, paid to employees while they are not performing services after March 12, 2020 and before January 1, 2021.

During the year ended December 31, 2024, the Company realized a CARES Act tax benefit of $3.2 million. The Company realized no tax benefit during the years ended December 31, 2023 and 2022. The Company intends to continue to review and consider any available potential benefits under the CARES Act for which it qualifies, including those described above. The Company cannot predict the manner in which such benefits or any of the other benefits described herein will be allocated or administered and the Company cannot provide assurances that it will be able to access such benefits in a timely manner or at all. If the US government or any other governmental authority agrees to provide such aid under the CARES Act or any other crisis relief assistance, it may impose certain requirements on the recipients of the aid, including restrictions on executive officer compensation, dividends, prepayment of debt, limitations on debt and other similar restrictions that will apply for a period of time after the aid is repaid or redeemed in full.

From time to time, the Company may be subject to audits covering a variety of tax matters by taxing authorities in any taxing jurisdiction where the Company conducts business. While the Company believes that the tax returns filed and tax positions taken are supportable and accurate, some tax authorities may not agree with the positions taken. This can give rise to tax uncertainties which, upon audit, may not be resolved in the Company's favor. As of December 31, 2024, there was $24.8 million tax contingency accruals and deferred tax asset reductions for uncertain tax positions, of which $22.1 million would impact the effective tax rate, if recognized. A reconciliation of the beginning and ending balances of the gross liability for uncertain tax positions is as follows:

(in thousands)	**2024**	**2023**	**2022**
Uncertain tax position liability at the beginning of the year	$ 29,286	$ 11,277	$ 5,131
Increases related to tax positions taken during the year	(4,462)	18,009	—
Increases related to tax positions taken during prior period	—	—	11,277
Decreases related to tax positions taken during prior periods	—	—	(5,131)
Uncertain tax position liability at the end of the year	$ 24,824	$ 29,286	$ 11,277

It is reasonably possible that the Company's unrecognized tax benefits could change in the next twelve months, however the Company is unable to estimate a range at this time.

The Company records interest and penalties related to uncertain tax positions as a component of the income tax provision (benefit). The Company has reserved interest and penalties on uncertain tax positions of $1.0 million and $0.7 million as of December 31, 2024 and 2023, respectively. The Company has recorded $0.3 million and $0.6 million of interest on uncertain tax positions on the consolidated statements of operations for the years ended December 31, 2024 and 2023, respectively.

The Company and its subsidiaries file tax returns in several jurisdictions including the US and various US state and foreign jurisdictions. The Company remains subject to examination for US federal income tax purposes for the years ended December 31, 2015 through 2024, as a result of a 2020 net operating loss carryback claim. The Company remains subject to examination for state and foreign income tax purposes for the years ended December 31, 2013 through 2024. The Company is currently appealing an audit by the State of Colorado for tax years ended December 31, 2012 through 2015. Based on the current status of the Colorado appeal, the Company believes no additional reserves are necessary. In addition, the disallowance of a loss carryforward generated in a period outside of the normal statute of limitations is generally open until the statute of limitations expires in the year of the utilization of the loss.

22. COMMITMENTS AND CONTINGENCIES

Litigation

The Company is a party to other various legal and administrative proceedings which have arisen in the ordinary course of its business. Estimated losses are accrued for these proceedings when the loss is probable and can be estimated. The current liability for the estimated losses associated with these proceedings is not material to the Company's consolidated financial condition and those estimated losses are not expected to have a material impact on results of operations. Although the Company maintains what it believes is adequate insurance coverage to mitigate the risk of loss pertaining to covered matters, legal and administrative proceedings can be costly, time-consuming and unpredictable.

Although no assurance can be given, the Company does not believe that the final outcome of these matters, including costs to defend itself in such matters, will have a material adverse effect on the company's consolidated financial statements. Further, no assurance can be given that the amount or scope of existing insurance coverage will be sufficient to cover losses arising from such matters.

Capital Expenditure Commitments

Bally's Twin River - Pursuant to the terms of the Regulatory Agreement in Rhode Island, the Company is committed to invest $100 million in its Rhode Island properties over the term of the master contract through June 30, 2043, including an expansion and the addition of new amenities at Bally's Twin River. As of December 31, 2024, approximately $45.1 million of the commitment remains.

Bally's Chicago - Pursuant to the Host Community Agreement with the City of Chicago, the Company's indirect subsidiary is required to spend at least $1.34 billion on the design, construction and outfitting of the temporary casino and the permanent resort and casino. The actual cost of the development may exceed this minimum capital investment requirement. In addition, land acquisition costs and financing costs, among other types of costs, are not counted toward meeting this requirement. As of December 31, 2024, approximately 1.02 billion of this commitment remains.

City of Chicago Guaranty

In connection with the Host Community Agreement, entered into by Bally's Chicago Operating Company, LLC (the "Developer"), a wholly-owned indirect subsidiary of the Company, the Company provided the City of Chicago with a performance guaranty whereby the Company agreed to have and maintain available financial resources in an amount reasonably sufficient to allow the Developer to complete its obligations under the Host Community Agreement. In addition, upon notice from the City of Chicago that the Developer has failed to perform various obligations under the Host Community Agreement, the Company has agreed to indemnify the City of Chicago against any and all liability, claim or reasonable and documented expense the City of Chicago may suffer or incur by reason of any nonperformance of any of the Developer's obligations.

Bally's Chicago Casino Fees

Under the Illinois Gambling Act, the Company will be responsible to pay the Illinois Gaming Board a reconciliation fee payment three years after the date operations commenced (in a temporary or permanent facility) in an amount equal to 75% of the adjusted gross receipt ("AGR") for the most lucrative 12-month period of operations, minus the amount equal to the initial payment per gaming position paid.

Sponsorship Commitments

As of December 31, 2024, the Company has entered into multiple sponsorship agreements with various professional sports leagues and teams. These agreements commit a total of 125.4 million through 2036 and grant the Company rights to use official league marks for branding and promotions, among other benefits.

Interactive Technology Commitments

The Company has certain multi-year agreements with its various market access and content providers, as well as its online sports betting platform partners, that require the Company to pay variable fees based on revenue, with minimum annual guarantees. As of December 31, 2024, the cumulative minimum obligation committed in these agreements is 52.4 million through 2029.

Collective Bargaining Agreements

As of December 31, 2024, the Company had approximately 10,000 employees. A large number of our employees at our Casinos & Resorts properties within several US states are represented by a labor union and are subject to collective bargaining agreements with us. As of December 31, 2024, the Company had 32 collective bargaining agreements covering approximately 3,442 employees. All collective bargaining agreements are in good standing and most have been renegotiated with terms between three and five years. There can be no assurance that we will be able to extend or enter into replacement agreements. If the Company is able to extend or enter into replacement agreements, there can be no assurance as to whether the terms will be on comparable terms to the existing agreements.

23. SEGMENT REPORTING

The Company has three operating and reportable segments: Casinos & Resorts, International Interactive and North America Interactive. The "Corporate & Other" category includes interest expense, select immaterial operating segments, unallocated corporate operating expenses, and other adjustments, such as the elimination of inter-segment transactions, to reconcile with the Company's consolidated results. This category further accounts for other expenses such as share-based compensation, acquisition and transaction costs, and other non-recurring charges.

The Company's three reportable segments as of December 31, 2024 include:

Casinos & Resorts - Includes the Company's 15 casino and resort properties, one horse racetrack and one golf course.

International Interactive - Includes the Company's interactive European gaming operations, the Company's global licensing revenue generating operations, as well as one casino property, Bally's Newcastle, in the UK.

North America Interactive - A portfolio of sports betting, iGaming, and free-to-play gaming brands.

The Company's chief operating decision maker is its Executive Committee, consisting of the Chief Executive Officer, President, and Chief Financial Officer. The Company uses consolidated Adjusted EBITDA and segment Adjusted EBITDAR to analyze the performance of its business and they are used as determining factors for performance-based compensation for members of the Company's management team. The Company uses consolidated Adjusted EBITDA and segment Adjusted EBITDAR when evaluating the operating performance of the business because management believes that the inclusion or exclusion of certain recurring and non-recurring items is necessary to provide a more fulsome understanding of the core operating results and as a means to evaluate period-to-period performance.

Management believes segment Adjusted EBITDAR is representative of its ongoing business operations including its ability to service debt and to fund capital expenditures, acquisitions and operations, in addition to it being a commonly used measure of performance in the gaming industry and used by industry analysts to evaluate operations and operating performance.

As of December 31, 2024, the Company's operations were predominately in the US and Europe, with a less substantive footprint in other countries world-wide. For geographical reporting purposes, revenue generated outside of the US has been aggregated into the International Interactive reporting segment, and consists primarily of revenue from the UK and Japan. Revenue generated from the UK and Japan represented approximately 28% and 6%, 25% and 11%, and 25% and 12% of total revenue, respectively, during the year ended December 31, 2024, 2023 and 2022, respectively. The Company does not have any revenues from any individual customers that exceed 10% of total reported revenues.

The following table sets forth revenue and Adjusted EBITDAR for the Company's three reportable segments and reconciles Adjusted EBITDAR on a consolidated basis to net loss. The Other category is included in the following tables in order to reconcile the segment information to the Company's consolidated financial statements.

(in thousands)	Years Ended December 31, 2024	2023	2022
Revenue			
Casinos & Resorts	$ 1,363,113	$ 1,363,291	$ 1,227,563
International Interactive	909,493	973,210	946,442
North America Interactive	177,872	112,572	81,700
Total	$ 2,450,478	$ 2,449,073	$ 2,255,705
Adjusted EBITDAR[(1)]			
Casinos & Resorts	$ 370,518	$ 428,968	$ 398,930
International Interactive	336,460	343,559	321,651
North America Interactive	(40,236)	(55,653)	(65,729)
Corporate & Other	(52,212)	(63,770)	(53,024)
Total	614,530	653,104	601,828
Operating (expense) income:			
Rent expense associated with triple net operating leases[(2)]	(118,919)	(125,775)	(53,313)
Depreciation and amortization	(379,544)	(350,408)	(300,559)
Transaction costs	(41,060)	(80,376)	(85,604)
Restructuring	(17,921)	(31,014)	—
Tropicana Las Vegas demolition and closure costs	(59,838)	—	—
Share-based compensation	(14,752)	(24,074)	(27,912)
Gain on sale-leaseback, net	86,254	374,321	50,766
Impairment charges	(248,879)	(149,825)	(463,978)
Loss on disposal of business	(27,796)	—	—
Merger Agreement costs[(3)]	(14,808)	—	—
Payment service provider write-off[(4)]	(6,333)	—	—
Diamond Sports Group non-cash settlement	(1,114)	(144,883)	—
Other	(28,148)	(17,061)	(14,236)
(Loss) income from operations	(258,328)	104,009	(293,008)
Other income (expense)			
Interest expense, net	(289,629)	(277,561)	(208,153)
Other	(4,545)	(12,186)	46,692
Total other expense, net	(294,174)	(289,747)	(161,461)
Loss before income taxes	(552,502)	(185,738)	(454,469)
(Provision) benefit for income taxes	(15,252)	(1,762)	28,923
Net loss	$ (567,754)	$ (187,500)	$ (425,546)

(1) Adjusted EBITDAR is defined as earnings, or loss, for the Company before interest expense, net of interest income, provision (benefit) for income taxes, depreciation and amortization, non-operating (income) expense, acquisition, integration and restructuring expense, share-based compensation, and certain other gains or losses as well as, when presented for our reporting segments, an adjustment related to the allocation of corporate cost among segments, plus rent expense associated with triple net operating leases.
(2) Consists primarily of the operating lease components contained within certain triple net leases with GLPI. Refer to Note 18 "Leases" for further information.
(3) Costs incurred in connection with the Merger Agreement discussed in Note 1 "General Information."
(4) In the third quarter, the Company recorded a $6.3 million charge to reduce amounts due from payment service providers ("PSP") due to a circumstance whereby the payment processer for certain online sports wagering deposits failed to capture and settle funds with patrons of the Company. The Company was not able to recover the full amount due from the payment service provider, resulting in a write down to the recoverable amount. In addition to amounts recovered, the Company received $5.1 million from the PSP as a signing bonus for entering into an extension agreement.

The following table sets forth significant segment expenses and other segment items by reportable segment (in thousands):

Years Ended December 31,	Casinos & Resorts	International Interactive	North America Interactive
2024			
Revenue	$ 1,363,113	$ 909,493	$ 177,872
Less: segment expenses			
Marketing costs	89,245	118,449	51,927
Gaming tax	190,505	158,691	48,015
Compensation	393,160	97,431	38,057
Other direct costs	—	134,192	57,065
Casino property costs	141,218	—	—
General and administrative	73,143	64,359	22,863
Other segment items[(1)]	105,324	(89)	181
Segment EBITDAR	$ 370,518	$ 336,460	$ (40,236)
2023			
Revenue	$ 1,363,291	$ 973,210	$ 112,572
Less: segment expenses			
Marketing costs	71,356	144,296	42,039
Gaming tax	160,493	145,239	21,871
Compensation	379,835	104,538	40,620
Other direct costs	—	179,060	40,510
Casino property costs	144,663	—	—
General and administrative	63,759	56,360	22,759
Other segment items[(1)]	114,217	158	426
Segment EBITDAR	$ 428,968	$ 343,559	$ (55,653)
2022			
Revenue	$ 1,227,563	$ 946,442	$ 81,700
Less: segment expenses			
Marketing costs	66,169	169,861	20,012
Gaming tax	148,945	134,338	6,268
Compensation	325,047	91,369	64,555
Other direct costs	—	181,168	31,268
Casino property costs	125,940	—	—
General and administrative	58,287	49,091	22,807
Other segment items[(1)]	104,245	(1,036)	2,519
Segment EBITDAR	$ 398,930	$ 321,651	$ (65,729)

(1) Other Segment Items primarily includes Gaming and non-gaming expenses within our Casinos & Resorts reportable segment, and certain other immaterial costs and allocations within each of the Company's reportable segments.

(in thousands)	Years Ended December 31, 2024	2023	2022
Capital Expenditures			
Casinos & Resorts	$ 60,373	$ 143,526	$ 183,693
International Interactive	706	2,462	12,392
North America Interactive	2,147	1,986	6,635
Corporate & Other[(1)]	136,601	163,509	9,536
Total	$ 199,827	$ 311,483	$ 212,256

(1) Includes 133.6 million, 162.1 million and 8.5 million related to our future Bally's Chicago project during the years ended December 31, 2024, December 31, 2023 and December 31, 2022, respectively.

Total assets are not regularly reviewed for each operating segment when assessing segment performance or allocating resources and accordingly, are not presented. As of December 31, 2024, over 97% of the Company's long-lived assets, consisting primarily of property and equipment, are located within the United States.

24. LOSS PER SHARE

Diluted earnings per share includes the determinants of basic earnings per share and, in addition, reflects the dilutive effect of the common stock deliverable for stock options, using the treasury stock method, and for RSUs, RSAs and PSUs for which future service is required as a condition to the delivery of the underlying common stock.

	Years Ended December 31, 2024	2023	2022
Net loss applicable to common stockholders	$ (567,754)	$ (187,500)	$ (425,546)
Weighted average common shares outstanding, basic	48,468,887	53,350,817	58,111,699
Weighted average effect of dilutive securities	—	—	—
Weighted average common shares outstanding, diluted	48,468,887	53,350,817	58,111,699
Per share data			
Basic	$ (11.71)	$ (3.51)	$ (7.32)
Diluted	$ (11.71)	$ (3.51)	$ (7.32)
Anti-dilutive shares excluded from the calculation of diluted earnings per share	5,377,457	5,021,833	5,188,388

On November 18, 2020, the Company issued Penny Warrants, Performance Warrants and Options which participate in dividends with the Company's common stock subject to certain contingencies. In the period in which the contingencies are met, those instruments are participating securities to which income will be allocated using the two-class method. The Performance Warrants and Options do not participate in net losses. The Penny Warrants were considered exercisable for little to no consideration and are therefore included in basic shares outstanding at their issuance date. For the years ended December 31, 2024, 2023 and 2022, the shares underlying the Performance Warrants were anti-dilutive as certain contingencies were not met. Refer to Note 15 "Strategic Partnership - Sinclair Broadcast Group" for further information.

25. SUBSEQUENT EVENTS

Merger

On February 7, 2025, the Company completed its previously announced transactions with the Buyer Parties. Pursuant to the terms of the Merger Agreement, Bally's and Queen combined, with Queen shareholders receiving consideration of 30.5 million shares. Thereafter, the Company paid cash consideration of 18.25 per share to holders of 22.9 million of the Company's outstanding shares, funded through the issuance of 500.0 million in senior secured notes due in 2028.

Bally's stockholders owning 17.9 million outstanding shares elected to retain their Bally's stock by means of a rollover election and continue as stockholders of Bally's. As a result of the completion of the transactions contemplated by the Merger Agreement, there are 48.4 million shares outstanding as of February 7, 2025. The warrants issued under the Framework Agreement, the Support Agreements, and those in connection with the acquisition of MKF, representing the right to purchase up to 11.6 million shares of Bally's common stock, remain outstanding. Refer to Note 1 "General Information," Note 15 "Strategic Partnership - Sinclair Broadcast Group" and Note 20 "Stockholders' Equity" for further information.

Secured Notes

In connection with the closing of the Merger on February 7, 2025, the Company entered into a note purchase agreement and issued $500 million in aggregate principal amount of first lien senior secured notes due October 2, 2028, at an annual interest rate of 11%, payable quarterly. These notes are guaranteed by Bally's restricted subsidiaries and secured by the same collateral securing the Credit Facility. The agreement mandates redemption offers in certain situations, such as asset sales and unpermitted debt issuances, with specific redemption premiums applicable within the first two years. After two years, the notes can be redeemed at par. The agreement also includes covenants limiting additional indebtedness, dividend payments, asset sales, investments, and liens, subject to exceptions and qualifications.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Management's Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer (principal executive officer) and chief financial officer (principal financial officer), conducted an evaluation of the effectiveness of our disclosure controls and procedures as of the end of the year ended December 31, 2024, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based on this evaluation, our chief executive officer and chief financial officer have concluded that during the period covered by this report, the Company's disclosure controls and procedures were not effective due to a material weakness in the Company's internal control over financial reporting described below.

Notwithstanding the ineffective disclosure controls and procedures as a result of the identified material weakness, our chief executive officer and chief financial officer have concluded that the consolidated financial statements in this Annual Report on Form 10-K present fairly, in all material respects, the Company's financial position, results of operations and cash flows in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP).

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act as a process designed by, or under the supervision of, the Company's principal executive and principal financial officers and effected by the Company's Board, management and other personnel to provide reasonable assurance regarding the reliability of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate. Management assessed the effectiveness of its Company's internal control over financial reporting as of December 31, 2024. In making this assessment, management used the criteria established in the Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO framework"). Based on evaluation under the criteria established in the COSO framework, management determined, based upon the existence of the material weakness described below, we did not maintain effective internal control over financial reporting as of December 31, 2024.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that a reasonable possibility exists that a material misstatement of our annual or interim financial statements would not be prevented or detected on a timely basis.

Deloitte & Touche LLP, the Company's independent registered public accounting firm that audited the Consolidated Financial Statements for the year ended December 31, 2024, issued an attestation report on the Company's internal control over financial reporting which immediately follows this report.

Material Weakness Identified

We lack segregation of duties over the preparation, review, and recording of journal entries within our International Interactive reportable segment. The failure to maintain appropriate segregation of duties has a pervasive impact and consequently, this deficiency impacts control activities over all financial statement account balances, classes of transactions, and disclosures within the International Interactive reportable segment. This material weakness was originally identified as of December 31, 2023 and was not remediated as of December 31, 2024.

During 2024, Management developed and implemented incremental or enhanced controls to remediate the material weakness, including educating control owners within our International Interactive reportable segment of the appropriate design elements of journal entry controls, enhancing our policy around documented approvals of journal entries, and implementing a monitoring control over journal entries. However, controls over certain journal entries were not designed effectively and others were determined not to be operating effectively as of December 31, 2024. Management remains focused on designing and implementing effective measures to improve our internal controls over financial reporting and remediate the material weakness. Management has developed a detailed plan for remediation, which includes:

- Continuing to educate control owners within the International Interactive reportable segment of the appropriate design elements of journal entry controls and enforcing policies requiring independent preparers and reviewers.
- Implementing a new enterprise resource planning ("ERP") system, which we believe will enhance the flow of financial information, improve data management and control and will enable us to remediate segregation of duties over journal entries by systematically requiring an independent preparer and reviewer of each journal entry. As the implementation of the new ERP system progresses, we may change our processes and procedures which, in turn, could result in further changes to our internal control over financial reporting. As such changes occur, we will evaluate quarterly whether such changes materially affect our internal control over financial reporting.

While we believe our remediation efforts above will improve the effectiveness of our internal control over financial reporting, we cannot assure that the measures will be sufficient to remediate the material weakness we have identified or will prevent potential future material weaknesses. The material weakness cannot be considered remediated until applicable controls have operated for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively. Accordingly, we will continue to monitor and evaluate the effectiveness of our internal control over financial reporting.

Remediation of Previously Identified Material Weaknesses

As disclosed in Part II, Item 9A., "Controls and Procedures," in our Annual Report on Form 10-K for the year ended December 31, 2023, we identified control deficiencies during 2023 that constituted material weaknesses relating to: (1) an insufficient number of personnel with the appropriate level of accounting knowledge, training and experience to appropriately analyze, record and disclose significant and complex accounting and tax matters timely and accurately, and (2) ineffective review of account reconciliations and account analysis controls, including the controls to validate the completeness and accuracy of information used in the performance of those controls, within the International Interactive reportable segment. We reinforced remediation efforts throughout 2024 and monitored operating effectiveness on a quarterly basis. As of December 31, 2024, Management concluded these material weaknesses were remediated. Specifically, the following plans were implemented and determined to be operating effectively:

- Realigned resources and, where applicable, hired qualified staff or used third-party subject matter experts with the appropriate level of experience and training to segregate key functions within our financial processes in order to support the review of significant and complex accounting matters, including appropriately analyzing, recording and disclosing accounting matters timely and accurately, specifically around assumptions used in certain estimates.
- Strengthened controls over account reconciliations and account analyses within our International Interactive reportable segment to support financial reporting requirements. Specifically, implemented or enhanced controls over report logic, data input, spreadsheet calculation and extract procedures over information used in the performance of controls to ensure completeness and accuracy.

Changes in Internal Control over Financial Reporting

Other than the material weakness noted above and the remediation of the previously disclosed material weaknesses, there has been no change in our internal control over financial reporting that occurred during the quarter ended December 31, 2024 covered by this Annual Report on Form 10-K that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Bally’s Corporation

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Bally's Corporation and subsidiaries (the "Company") as of December 31, 2024, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, because of the effect of the material weakness identified below on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2024, of the Company and our report dated March 17, 2025, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Material Weakness

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weakness has been identified and included in management's assessment:

Management identified a material weakness related to the lack of segregation of duties over the preparation, review, and recording of journal entries within the International Interactive reportable segment. The failure to maintain appropriate segregation of duties has a pervasive impact and consequently, this deficiency impacts control activities over all financial statement account balances, classes of transactions, and disclosures within the International Interactive reportable segment.

This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements as of and for the year ended December 31, 2024, of the Company, and this report does not affect our report on such financial statements.

/s/ Deloitte & Touche LLP
New York, New York
March 17, 2025

ITEM 9B. OTHER INFORMATION

During the quarter ended December 31, 2024, none of our officers or directors adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement," as defined in Item 408(a) of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this item will be contained in our Definitive Proxy Statement on Schedule 14A for our Annual Meeting of Stockholders to be held on May 15, 2025 (the "2025 Proxy Statement") and is incorporated herein by this reference.

Insider Trading Policy

The Company has adopted insider trading policies and procedures governing the purchase, sale, and/or other disposition of its securities by the Company, its directors, officers, employees and certain other individuals that the Company believes are reasonably designed to promote compliance with insider trading laws, rules, and regulations, and applicable New York Stock Exchange listing standards. The Company's Insider Trading Policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item will be contained in the 2025 Proxy Statement and is incorporated herein by this reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item will be contained in the 2025 Proxy Statement and is incorporated herein by this reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item will be contained in the 2025 Proxy Statement and is incorporated herein by this reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item will be contained in the 2025 Proxy Statement and is incorporated herein by this reference.

PART IV

ITEM 15. EXHIBIT AND FINANCIAL STATEMENT SCHEDULES

(2) Documents filed as a part of this Annual Report on Form 10-K.

1. *Financial Statements.* The Financial Statements filed as part of this Annual Report on Form 10-K are listed in the Index to Financial Statements in "Item 8. Financial Statements and Supplementary Data."

2. *Financial Statement Schedules*. All schedules have been omitted because they are either not required or the information required is included in our consolidated financial statements or the notes thereto included in Item 8 hereof.

3. *Exhibits.*

Exhibit Number	Description of Exhibit
2.1#	Agreement and Plan of Merger, dated as of July 25, 2024, by and among Parent, Queen, Merger Sub I, Merger Sub II, the Company and, solely for purposes of specified provisions of the Merger Agreement, SG Gaming (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K (File No. 001-38850) filed July 25, 2024)
2.2#	Amendment No. 1 to the Agreement and Plan of Merger, dated as of August 27, 2024, by and among the Company, Parent, Queen, Merger Sub I, Merger Sub II, and, solely for purposes of specified provisions of the Merger Agreement, SG Gaming. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K (File No. 001-38850) filed August 28, 2024)
2.3#	Amendment No. 2 to the Agreement and Plan of Merger, dated as of September 30, 2024, by and among Parent, Queen, Merger Sub I, Merger Sub II, the Company and, solely for purposes of specified provisions of the Merger Agreement, SG Gaming (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K (File No. 001-38850) filed October 1, 2024))
3.1	Sixth Amended and Restated Certificate of Incorporation of Bally's Corporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-38850) filed on February 13, 2025)
3.2	Second Amended and Restated Bylaws of Bally's Corporation (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K (File No. 001-38850) filed February 13, 2025)
4.1	Form of Certificate of Common Stock of Twin River Worldwide Holdings, Inc. (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-4/A (File No. 333-228973) filed on January 25, 2019)
4.2	Indenture, dated as of August 20, 2021, among Premier Entertainment Sub, LLC, Premier Entertainment Finance Corp. and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 001-38850) filed on August 20, 2021)
4.3	First Supplemental Indenture, dated as of October 1, 2021, among Premier Entertainment Sub, LLC, Premier Entertainment Finance Corp., the guarantors party thereto and U.S. Bank National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 001-38850) filed on October 7, 2021)
4.4	Second Supplemental Indenture, dated as of April 13, 2022, among the guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.4 to the Company's Annual Report on Form 10-K (File No. 001-38850) filed on March 1, 2023)
4.5	Third Supplemental Indenture, dated as of December 30, 2022, among the guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.5 to the Company's Annual Report on Form 10-K (File No. 001-38850) filed on March 1, 2023)
4.6	Description of Registrant's Securities (incorporated by reference to Exhibit 4.6 to the Company's Annual Report on Form 10-K (File No. 001-38850) filed on March 15, 2024)

Exhibit Number	Description of Exhibit
4.7	Form of Warrant (incorporated by reference to Exhibit 4.6 to the Company's Annual Report on Form 10-K (File No. 001-38850) filed on March 10, 2021)
4.8	Form of Option Agreement (incorporated by reference to Exhibit 4.7 to the Company's Annual Report on Form 10-K (File No. 001-38850) filed on March 10, 2021)
10.1	License Agreement, dated May 15, 2003, by and between Hard Rock Hotel Licensing, Inc., Premier Entertainment Biloxi LLC, and Premier Entertainment, LLC (incorporated by reference to Exhibit 10.1 to the Company's Registration Statement on Form S-4/A (File No. 333-228973) filed on January 25, 2019)
10.2	First Letter Agreement, dated April 4, 2006, by and between Hard Rock Hotel Licensing, Inc., Premier Entertainment Biloxi LLC, and Premier Entertainment, LLC (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-4/A (File No. 333-228973) filed on January 25, 2019)
10.3	First Amendment to Hard Rock License Agreement, dated May 10, 2007, by and between Hard Rock Hotel Licensing, Inc., Premier Entertainment Biloxi LLC, and Premier Entertainment Biloxi LLC (incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form S-4/A (File No. 333-228973) filed on January 25, 2019)
10.4	Second Amendment to Hard Rock License Agreement, dated July 10, 2014, by and between Hard Rock Hotel Licensing, Inc., Premier Entertainment Biloxi LLC, and Premier Entertainment Biloxi LLC, and Twin River Management Group, Inc. (incorporated by reference to Exhibit 10.4 to the Company's Registration Statement on Form S-4/A (File No. 333-228973) filed on January 25, 2019)
10.5**	Bally's Corporation 2021 Equity Incentive Plan (incorporated by reference to Annex B to the Registrant's Definitive Proxy Statement on Schedule 14A (File No. 001-38850) filed April 8, 2021)
10.6**	Form of Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.28 to the Company's Registration Statement on Form S-4/A (File No. 333-228973) filed on January 25, 2019)
10.7**	Form of Restricted Stock Unit Award Agreement (Performance-Based) (incorporated by reference to Exhibit 10.29 to the Company's Registration Statement on Form S-4/A (File No. 333-228973) filed on January 25, 2019)
10.8**	Form Restricted Stock Unit Award Agreement (Performance-Based) (incorporated by reference to Exhibit 10.39 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2019 (File No. 001-38850) filed on March 13, 2020)
10.9**	Form Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.40 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2019 (File No. 001-38850) filed on March 13, 2020)
10.10**	Employment Agreement, effective as of March 29, 2016, by and between Twin River Management Group, Inc. and George Papanier (incorporated by reference to Exhibit 10.31 to the Company's Registration Statement on Form S-4/A (File No. 333-228973) filed on January 25, 2019)
10.11**	Amendment No 1. to Employment Agreement, dated as of January 13, 2020, by and among Twin River Worldwide Holdings, Inc. and George Papanier (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 001-38850) filed on January 16, 2020)
10.12**	Amendment No. 2 Employment Agreement, January 20, 2021, by and between Bally's Corporation and George Papanier (incorporated by reference to Exhibit 10.37 to the Company's Annual Report on Form 10-K for the year ended December 31, 2020 (File No. 001-38850) filed on March 10, 2021)
10.13**	Amendment No. 3 to Employment Agreement, dated February 13, 2023, by and between Bally's Corporation and George Papanier (incorporated by reference to Exhibit 10.3 to the Company's Form 8-K (File No. 001-38850) filed on February 13, 2023)
10.14**	Employment Agreement, effective July 10, 2013, by and between Twin River Management Group, Inc. and Craig L. Eaton (incorporated by reference to Exhibit 10.41 to the Company's Annual Report on Form 10-K for the year ended December 31, 2019 (File No. 001-38850) filed on March 13, 2020)

Exhibit Number	Description of Exhibit
10.15**	Employment Agreement, dated May 8, 2023, by and between Bally's Corporation and Marcus Glover (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K (File No. 001-38850) filed May 9, 2023)
10.16**	Form of Robeson Reeves Service Agreement, effective October 1, 2021 (incorporated by reference to Exhibit 10.44 to the Company's Annual Report on Form 10-K (File No. 001-38850) filed on March 1, 2022)
10.17**	Amendment No. 1 to Service Agreement, dated June 1, 2022, by and between Bally's Corporation and Robeson Reeves (incorporated by reference to Exhibit 10.43 to the Company's Annual Report on Form 10-K (File No. 001-38850) filed on March 1, 2023)
10.18**	Amendment No. 2 to Service Agreement, dated February 13, 2023, by and between Bally's Corporation and Robeson Reeves (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K (File No. 001-38850) filed on February 13, 2023)
10.19**	Form of Kim Barker Lee Employment Agreement, effective December 7, 2022 (incorporated by reference to Exhibit 10.45 to the Company's Annual Report on Form 10-K (File No. 001-38850) filed on March 1, 2023)
10.20	Credit Agreement, dated October 1, 2021, among Bally's Corporation, the subsidiary guarantors party thereto, the lenders party thereto and Deutsche Bank AG New York Branch, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File 001-38850) filed on October 7, 2021)
10.21	First Amendment to Credit Agreement, dated June 23, 2023, among Bally's Corporation, the subsidiary guarantors party thereto, the lenders party thereto and Deutsche Bank AG New York Branch, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 10-Q (File 001-38850) filed on November 3, 2023)
10.22	Amended and Restated Regulatory Agreement, dated March 1, 2024, by and among the Rhode Island Department of Business Regulation, the State Lottery Division of the Rhode Island Department of Revenue, Bally's Corporation, Bally's Management Group, LLC, UTGR, LLC, Twin River-Tiverton, LLC, and Bally's RI iCasino, LLC (incorporated by reference to Exhibit 10.48 to the Company's Annual Report on Form 10-K (File No. 001-38850) filed on March 15, 2024)
10.23**	Bally's Corporation 2021 Equity Incentive Plan - Performance Unit Award Agreement (incorporated by reference to Exhibit 10.47 to the Company's Annual Report on Form 10-K (File No. 001-38850) filed on March 1, 2022)
10.24**	Bally's Corporation 2021 Equity Incentive Plan - Restricted Stock Unit Award Agreement (incorporated by reference to Exhibit 10.48 to the Company's Annual Report on Form 10-K (File No. 001-38850) filed on March 1, 2022)
10.25	Note Purchase Agreement, dated February 7, 2025, by and among the Company, the subsidiaries of the Company party thereto as guarantors, Alter Domus (US) LLC as note agent and collateral agent, and the purchasers party thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-38850) filed on February 13, 2025)
10.26	Binding Term Sheet, dated as of July 11, 2024, by and among Bally's Corporation and Gaming and Leisure Properties, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-38850) filed on July 12, 2024)
10.27**	Employment Agreement, dated March 10, 2025, by and between Bally's Corporation and Mira Mircheva (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-38850) filed on March 11, 2025)
19.1*	Insider Trading Policy
21.1*	Schedule of Subsidiaries
23.1*	Consent of Independent Public Accounting Firm
31.1*	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

Exhibit Number	Description of Exhibit
32.1*	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97.1	Bally's Corporation Compensation Clawback Policy (incorporated by reference to Exhibit 97.1 to the Company's Annual Report on Form 10-K (File No. 001-38850) filed on March 15, 2024)
99.1*	Description of Government Regulations
101.INS	Inline XBRL Instance Document - the instance document does not appear in the interactive data file because XBRL tags are embedded within the inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	The cover page from Bally's Corporation's Annual Report on Form 10-K for the year ended December 31, 2024, formatted in inline XBRL contained in Exhibit 101
#	As permitted under Item 601(a)(5) of Regulation S-K, the exhibits and schedules to this exhibit are omitted from this filing. The Company agrees to furnish a supplemental copy of any omitted exhibit or schedule to the SEC upon its request.
*	Filed herewith.
**	Management contracts or compensatory plans or arrangements.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on March 17, 2025.

BALLY'S CORPORATION

By: /s/ MARCUS GLOVER
Marcus Glover
Chief Financial Officer
(Principal Financial and Accounting Officer)

By: /s/ ROBESON M. REEVES
Robeson M. Reeves
Chief Executive Officer
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ ROBESON M. REEVES Robeson M. Reeves	President, Chief Executive Officer and Director (Principal Executive Officer)	March 17, 2025
/s/ MARCUS GLOVER Marcus Glover	Chief Financial Officer (Principal Financial and Accounting Officer)	March 17, 2025
/s/ SOOHYUNG KIM Soohyung Kim	Chairman	March 17, 2025
/s/ TERRENCE DOWNEY Terrence Downey	Director	March 17, 2025
/s/ TRACY HARRIS Tracy Harris	Director	March 17, 2025
/s/ GEORGE T. PAPANIER George T. Papanier	Director	March 17, 2025
/s/ JAYMIN B. PATEL Jaymin B. Patel	Director	March 17, 2025
/s/ JEFFREY W. ROLLINS Jeffrey W. Rollins	Director	March 17, 2025
/s/ WANDA Y. WILSON Wanda Y. Wilson	Director	March 17, 2025

Exhibit 21.1

BALLY'S CORPORATION

Subsidiary Name	State or Other Jurisdiction of Incorporation
120 Sports Holdings I, LLC	Delaware
120 Sports LLC	Delaware
Association of Volleyball Professionals, LLC	Delaware
AVA Entertainment Limited Partnership	California
Aztar Indiana Gaming Company, LLC	Indiana
BACA Limited	Isle of Man
Bally's (Newcastle) Limited	United Kingdom
Bally's Canada Inc.	Canada -Ontario
Bally's Chicago Holding Company, LLC	Delaware
Bally's Chicago Operating Company, LLC	Delaware
Bally's Chicago, Inc.	Delaware
Bally's Estonia OU	Estonia
Bally's Finance Corporation Limited	Malta
Bally's Foundation	United Kingdom
Bally's Foundation North America, Inc.	Delaware
Bally's Holding Limited	Jersey
Bally's Holdings UK Limited	Jersey
Bally's Interactive, LLC	Delaware
Bally's Interactive (Stadium) LLC	Delaware
Bally's Interactive Maryland, LLC	Delaware
Bally's Kansas City, LLC d/b/a Bally’s Kansas City Casino	Missouri
Bally's Management Group, LLC	Delaware
Bally's New York Holding Company, LLC	Delaware
Bally's New York Operating Company, LLC	Delaware
Bally's New York, Inc.	Delaware
Bally's Pennsylvania, LLC	Delaware
Bally's Premier Interactive ULC	Canada -BC
Bally's RI iCasino, LLC	Delaware
Bally's-Galaxy Acquisition Corp.	Delaware
Betworks (US) LLC	Nevada
Boa Sorte Ltda	Brazil
Chelms, LLC	Cayman Islands
Cryptologic Operations Limited	Malta
Degree 53 Limited	United Kingdom
Dover Downs, LLC	Delaware
Fantasy Draft Player Funds, LLC	Delaware
Fantasy Draft, LLC	Delaware
Fantasy Sports Shark, LLC d/b/a Monkey Knife Fight	Delaware
Fifty States Limited	Isle of Man
Games Spain Operations, S.A.U.	Ceuta
Gamesys Data Analytics Limited	United Kingdom
Gamesys Group (Holdings) Limited	Jersey
Gamesys Group Limited	United Kingdom

Subsidiary Name	State or Other Jurisdiction of Incorporation
Gamesys Jersey Limited	Jersey
Gamesys Limited	United Kingdom
Gamesys Network Limited	Malta
Gamesys Operations Limited	Gilbraltar
Gamesys Spain S.A.U.	Ceuta
Gamesys US LLC	Delaware
Gyps Fulvus Limited	Gilbraltar
Horses Mouth Limited d/b/a SportCaller	Dublin Ireland
Interstate Racing Association, LLC	Colorado
Intertain Financial Services AB	Sweden
Jet Media Limited	Gilbraltar
Joker Gaming, LLC d/b/a Live at the bike	California
JPJ Group Holdings Limited	Jersey
JPJ Group Jersey Finance Limited	Jersey
JPJ Holding II Limited	Jersey
JPJ Holding Jersey Limited	Jersey
JPJ Jersey Limited	Jersey
JPJ Maple II Limited	Malta
JPJ OPS Spain S.A.U.	Ceuta
Libita Group Ltd	Isle of Man
MB Development LLC	Nevada
Mice and Dice Limited	United Kingdom
Mile High USA, LLC	Delaware
Play Malta Plc	Malta
Premier Entertainment AC, LLC d/b/a Bally's Atlantic City Hotel and Casino	New Jersey
Premier Entertainment Biloxi LLC	Delaware
Premier Entertainment Black Hawk, LLC d/b/a Bally’s Black Hawk North Casino, Bally’s Black Hawk West Casino and Bally’s Black Hawk East Casino	Colorado
Premier Entertainment Finance Corp	Delaware
Premier Entertainment II, LLC	Delaware
Premier Entertainment III, LLC d/b/a Bally’s Dover Casino Resort	Delaware
Premier Entertainment Louisiana I, LLC d/b/a Bally’s Shreveport Casino & Hotel	Delaware
Premier Entertainment Parent, LLC	Delaware
Premier Entertainment Shreveport, LLC	Louisiana
Premier Entertainment Sub, LLC	Delaware
Premier Entertainment Tahoe, LLC d/b/a Bally’s Lake Tahoe Casino Resort	Nevada
Premier Entertainment Vicksburg, LLC d/b/a Bally’s Vicksburg Casino	Delaware
Racing Associates of Colorado, Ltd.	Colorado
Rhode Island VLT Company LLC	Delaware
Rock Island Foodservice, LLC	Illinois
Solid (IOM) Limited	Isle of Man
Solid Innovations Limited	Gilbraltar
Solid Services Limited	Isle of Man
Sportsoft Solutions Inc.	Canada
Stockwell Ltd	Isle of Man

Subsidiary Name	State or Other Jurisdiction of Incorporation
Telescope Digital Inc.	Delaware
Telescope EMEA, S.L.	Spain
Telescope UK, LTD	United Kingdom
The Intertain Group Limited	Canada
The Rock Island Boatworks, LLC d/b/a Bally's Quad Cities Casino & Hotel	Illinois
The Shops at Tropicana Las Vegas, LLC	Nevada
TR Black Hawk Promotional Association I	Colorado
Tropicana Las Vegas Hotel and Casino, Inc.	Delaware
Tropicana Las Vegas Intermediate Holdings, Inc.	Delaware
Tropicana Las Vegas, Inc.	Nevada
Twin River-Tiverton, LLC d/b/a Bally's Tiverton Casino & Hotel	Delaware
UTGR, LLC d/b/a Bally's Twin River Lincoln Casino Resort	Delaware
WagerLogic Malta Holding Limited	Malta

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-263437, 333-256435, and 333-230675 on Form S-8, and Registration Statement No. 333-278665 on Form S-3 of our reports dated March 17, 2025, relating to the financial statements of Bally's Corporation and the effectiveness of Bally's Corporation's internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2024.

/s/ Deloitte & Touche LLP

New York, New York

March 17, 2025

Exhibit 31.1

BALLY'S CORPORATION

CERTIFICATION

I, Robeson M. Reeves, certify that:

1. I have reviewed this Annual Report on Form 10-K of Bally's Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 17, 2025

By: /s/ ROBESON M. REEVES
Robeson M. Reeves
Chief Executive Officer

Exhibit 31.2

BALLY'S CORPORATION

CERTIFICATION

I, Marcus Glover, certify that:

1. I have reviewed this Annual Report on Form 10-K of Bally's Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 17, 2025

By: /s/ MARCUS GLOVER
Marcus Glover
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

BALLY'S CORPORATION

CERTIFICATION

In connection with the Annual Report of Bally's Corporation (the "Company") on Form 10-K for the year ended December 31, 2024 (the "Report"), as filed with the Securities and Exchange Commission, I, Robeson M. Reeves, Chief Executive Officer of the Company, hereby certify as of the date hereof, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

Date: March 17, 2025

By: /s/ ROBESON M. REEVES
Robeson M. Reeves
Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, except to the extent that the Company specifically incorporates it by reference.

Exhibit 32.2

BALLY'S CORPORATION

CERTIFICATION

In connection with the Annual Report of Bally's Corporation (the "Company") on Form 10-K for the year ended December 31, 2024 (the "Report"), as filed with the Securities and Exchange Commission, I, Marcus Glover, Chief Financial Officer of the Company, hereby certify as of the date hereof, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

Date: March 17, 2025

By: /s/ MARCUS GLOVER
Marcus Glover
Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, except to the extent that the Company specifically incorporates it by reference.

Description of Governmental Regulations

General

The ownership, operation, and management of our gaming, betting and racing facilities (generically referred to herein as "gaming") are subject to significant regulation under the laws, rules and regulations of each of the jurisdictions in which we operate. Gaming laws and regulations are generally based upon declarations of public policy designed to protect gaming consumers and the viability and integrity of the gaming industry. The continued growth and success of gaming is dependent upon public confidence, and gaming laws protect gaming consumers and the viability and integrity of the gaming industry, including prevention of crime, money laundering, cheating and fraudulent practices. Gaming laws also may be designed to protect and maximize revenues derived through taxes and licensing fees imposed on gaming industry participants, as well as to enhance economic development and tourism. To accomplish these public policy goals, gaming laws establish stringent procedures to ensure that participants in the gaming industry meet certain suitability standards. In addition, gaming laws require gaming industry participants to:

- ensure that unsuitable individuals and organizations have no role in gaming operations;
- establish procedures designed to prevent cheating and fraudulent practices;
- establish and maintain anti-money laundering practices and procedures;
- establish and maintain responsible accounting practices and procedures;
- maintain effective controls over their financial practices, including establishing minimum procedures for internal fiscal affairs and the safeguarding of assets and revenues;
- maintain systems for reliable record keeping;
- file periodic reports with gaming regulators and maintain certain minimum internal controls;
- establish programs to promote responsible gaming; and
- enforce minimum age requirements.

Typically, a regulatory environment is established by statute and underlying regulations and is administered by one or more regulatory agencies with broad discretion to regulate the affairs of owners and other persons with financial interests in gaming operations. Among other things, gaming authorities in the various jurisdictions in which we operate:

- adopt, interpret and enforce gaming laws and regulations;
- impose disciplinary sanctions for violations, including fines and penalties;
- review the character and fitness of participants in gaming operations and make determinations regarding their suitability or qualification for licensure;
- grant licenses for participation in gaming operations;
- issue license conditions and codes of practice;
- collect and review reports and information submitted by participants in gaming operations;
- in the case of Rhode Island and Delaware, collect proceeds from our operations and provide us with commissions based on such proceeds;
- review and approve certain transactions, such as acquisitions or change-of-control transactions of gaming industry participants, securities offerings and debt transactions engaged in by such participants; and
- establish and collect fees and taxes in jurisdictions where applicable.

Any change in or the interpretation of the laws or regulations of a gaming jurisdiction could adversely affect our gaming operations.

Licensing and Suitability Determinations

Gaming laws require us, each of our subsidiaries engaged in gaming operations, certain of our directors, officers and employees, and in some cases, certain of our shareholders and holders of our debt securities, to obtain licenses or findings of suitability from gaming authorities. Licenses or findings of suitability typically require a determination that the applicant qualifies or is suitable to hold the license. Gaming authorities have broad discretion in determining whether an applicant qualifies for licensing or should be deemed suitable. Subject to certain administrative proceeding requirements, the gaming regulators have the authority to deny any application or limit, condition, restrict, revoke or suspend any license, registration, finding of suitability or approval, or fine any person licensed, registered or found suitable or approved. Criteria used in determining whether to grant or renew a license or finding of suitability, while varying between jurisdictions, generally include consideration of factors such as:

- the character, honesty and integrity of the applicant;
- the financial stability, integrity and responsibility of the applicant, including whether the operation is adequately capitalized in the jurisdiction and exhibits the ability to maintain adequate insurance levels;
- the quality of the applicant's casino facilities or online casino offerings;
- the amount of revenue to be derived by the applicable jurisdiction from the operation of the applicant's casino;
- the applicant's practices with respect to minority hiring and training; and
- the effect on competition and general impact on the community.

In evaluating individual applicants, gaming authorities consider the individual's business experience and reputation for good character, the individual's criminal history and the character of those with whom the individual associates.

Some gaming jurisdictions limit the number of licenses granted to operate casinos within the state or territory, and some states or territories limit the number of licenses granted to any one gaming operator. Licenses under gaming laws are generally not transferable without regulatory approval. Licenses in most of the jurisdictions in which we conduct gaming operations are granted for limited durations and require renewal from time to time. There can be no assurance that any of our licenses will be renewed. The failure to renew any of our licenses could adversely affect our gaming operations.

In addition to us and our direct and indirect subsidiaries engaged in gaming operations, gaming authorities may investigate any individual who has a material relationship to or material involvement with any of our entities to determine whether such individual is suitable or should be licensed. Our officers, directors and certain key employees must file applications with the gaming authorities in various jurisdictions to be qualified, licensed, or found suitable. Qualification, licensure and suitability determinations require submission of detailed personal and financial information followed by a thorough investigation. The applicant must pay all the costs of the investigation. Changes in licensed positions must be reported to gaming authorities and in addition to their authority to deny an application for licensure, qualification or a finding of suitability, gaming authorities have jurisdiction to disapprove a change in a corporate position.

If one or more gaming authorities were to find that an officer, director or key employee fails to qualify or is unsuitable for licensing or unsuitable to continue having a relationship with us, we would be required to sever all relationships with such person. In addition, gaming authorities may require us to terminate the employment of any person who refuses to file appropriate applications.

Moreover, in many jurisdictions, certain of our shareholders may be required to undergo a suitability investigation similar to that described above. Many jurisdictions require any person who acquires beneficial ownership of more than a certain percentage of our voting securities, typically 5%, to report the acquisition to gaming authorities, and gaming authorities may require such holders to apply for qualification or a finding of suitability. Most gaming authorities, however, allow an "institutional investor" to apply for a waiver or reduced disclosure obligation. An "institutional investor" is generally defined as an investor acquiring and holding voting securities in the ordinary course of business as an institutional investor for passive investment purposes only, and not for the purpose of causing, directly or indirectly, the election of a member of our board of directors, any change in our corporate charter, bylaws, management, policies or operations, or those of any of our gaming affiliates, or the taking of any other action which gaming authorities find to be inconsistent with holding our voting securities for passive investment purposes only. Even if a waiver or reduced disclosure obligation is granted, an institutional investor generally may not take any action inconsistent with its status when the waiver was granted without once again becoming subject to the foregoing reporting and application obligations.

Generally, any person who fails or refuses to apply for a finding of suitability or a license within the time period mandated by the applicable gaming laws may be denied a license or found unsuitable, as applicable. Any shareholder found unsuitable or denied a license and who holds, directly or indirectly, any beneficial ownership of our voting securities beyond such period of time, as may be prescribed by the applicable gaming authorities, may be guilty of a criminal offense. Pursuant to our bylaws, if a shareholder were to be found by an applicable gaming authority to be an unsuitable person, or if the Board were otherwise to determine that a shareholder is an unsuitable person under applicable gaming laws, then the Company may, subject to compliance with its bylaws, redeem such shareholder's voting securities. In addition, in these circumstances, until such voting securities are owned by suitable shareholders:

- we would not be required or permitted to pay any dividend, payment, distribution or interest with respect to such voting securities,
- the unsuitable shareholder holder would not be entitled to exercise any voting rights in respect of such voting securities,
- we would not pay any remuneration in any form to the holder of such voting securities (other than, if applicable, the redemption price for such securities),
- an unsuitable shareholder may not be engaged as an employee, officer, or director, and may not provide any services to us or any of our subsidiaries, and
- all other rights (including economic and voting rights) of such unsuitable persons in respect of the voting securities would be suspended.

The gaming jurisdictions in which we operate also require that suppliers of certain goods and services to gaming industry participants be licensed or qualified, and require us to purchase and lease gaming equipment, including certain supplies and services, only from licensed or qualified suppliers.

Violations of Gaming Laws

If we or our subsidiaries violate applicable gaming laws, our gaming licenses could be limited, conditioned, suspended or revoked by gaming authorities, and we and any other persons involved could be subject to substantial fines. Further, a supervisor or conservator can be appointed by gaming authorities to operate our gaming properties, or in some jurisdictions, take title to our gaming assets in the jurisdiction, and under certain circumstances, earnings generated during such appointment could be forfeited to the applicable state or territory. Furthermore, violations of laws in one jurisdiction could result in disciplinary action in other jurisdictions. As a result, violations by us of applicable gaming laws could adversely affect our gaming operations.

Some gaming jurisdictions prohibit certain types of political activity by a gaming licensee, its officers, directors and key employees. A violation of such a prohibition may subject the offender to criminal and/or disciplinary action.

Reporting and Recordkeeping Requirements

We are required to submit detailed financial and operating reports and furnish any other information about us or our subsidiaries, as required by various laws and regulations. Under federal law, we must record and submit detailed reports of currency transactions involving more than $10,000 at our casinos and any suspicious activity that may occur at such facilities. Certain jurisdictions require logging, reporting, and/or review of transactions and winning wagers over certain amounts. We are required to maintain a current stock ledger which may be examined by gaming authorities at any time. If any securities are held in trust by an agent or by a nominee, the record holder may be required to disclose the identity of the beneficial owner to gaming authorities. A failure to make such a disclosure may be grounds for finding the record holder unsuitable. Gaming authorities may require certificates for our securities to bear a legend indicating that the securities are subject to specified gaming laws. In certain jurisdictions, gaming authorities have the power to impose additional restrictions on the holders of our securities at any time.

Review and Approval of Transactions

Substantially all material loans, capital leases, sales of securities and similar financing transactions by us and our subsidiaries must be reported to and in some cases approved by gaming authorities. Neither we nor any of our subsidiaries may make a public offering of securities without the prior approval of certain gaming authorities. Changes in control through merger, consolidation, stock or asset acquisitions, management or consulting agreements, or otherwise are subject to receipt of prior approval of gaming authorities. Entities seeking to acquire control of us or one of our subsidiaries must satisfy gaming authorities with respect to a variety of stringent standards prior to assuming control. Gaming authorities may also require controlling shareholders, officers, directors and other persons having a material relationship or involvement with the entity proposing to acquire control to be investigated and licensed as part of the approval process relating to the transaction.

Because of regulatory restrictions, our ability to grant a security interest in any of our gaming assets is limited and subject to receipt of prior approval by certain gaming authorities. A pledge of the stock of a subsidiary holding a gaming license and the foreclosure of such a pledge may be ineffective without the prior approval of gaming authorities in certain jurisdictions. Moreover, our subsidiaries holding gaming licenses may be unable to guarantee a security issued by an affiliated or parent company pursuant to a public offering, or pledge their assets to secure payment of the obligations evidenced by the security issued by an affiliated or parent company, without the prior approval of certain gaming authorities.

Certain jurisdictions require the implementation of a compliance review and reporting system created for the purpose of monitoring our activities related to our continuing qualification. These plans require periodic reports to the regulatory authorities.

License Fees and Gaming Taxes

We pay substantial license fees and taxes in many jurisdictions, including some of the counties, cities and towns in which our operations are conducted, in connection with our gaming operations, computed in various ways depending on the type of gaming or activity involved and the jurisdiction where our operations are conducted. Depending upon the particular fee or tax involved, these fees and taxes are payable with varying frequency. License fees and taxes are based upon such factors as:

- a percentage of the gross gaming revenues received;
- the number of gaming devices and table games operated; and/or
- one-time fees payable upon the initial receipt of license and fees in connection with the renewal of license.

In many jurisdictions, gaming tax rates are graduated, such that they increase as gross gaming revenues increase. Furthermore, tax rates are subject to change, sometimes with little notice, and such changes could have adversely affect our gaming operations. A live entertainment tax is also paid in certain jurisdictions by casino operations where entertainment is provided.

In addition to taxes specifically unique to gaming, we are required to pay all other applicable taxes such as income, sales, use, and property taxes.

Rhode Island Commissions

In Rhode Island, our gaming operations are subject to extensive regulation by the Rhode Island Department of Business Regulation and the Division of Lotteries of the Rhode Island Department of Revenue. Similar to Delaware and unlike the other jurisdictions in which we operate, Rhode Island does not have a traditional tax on gaming operations. The state receives all of the gaming win that comes into our Rhode Island operations and then pays us a percentage of the gaming win. As a result, our revenue from Rhode Island operations reflects only the net amount we are paid of the total gaming win from our Rhode Island casinos. As of December 31, 2024, Bally's Twin River Lincoln Casino Resort is entitled to a 28.85% share of video lottery terminal ("VLT") revenue on the initial 3,002 units and a 26.00% share on VLT revenue generated from units in excess of 3,002. Bally's Tiverton Casino & Hotel is entitled to receive a percentage of VLT revenue that is equivalent to the percentage received by Bally's Twin River Lincoln Casino Resort. Bally's Twin River Lincoln Casino Resort and Bally's Tiverton Casino & Hotel are entitled to an 83.5% share of table games revenue.

Delaware Commissions

In Delaware, our gaming operations are subject to extensive regulations related to our operations by the Delaware State Lottery Office, Delaware's Department of Safety and Homeland Security, Division of Gaming Enforcement and the Delaware Harness Racing Commission. Similar to the Rhode Island jurisdiction, Delaware does not have a traditional tax on gaming operations. The Delaware State Lottery Office sweeps the win from the casino operations, collects the State's share of the win and the amount due to the vendors under contract with the State who provide the slot machines and associated computer systems, collects the amount allocable to purses for harness horse racing and remits the remainder to us as our commission. As a result, our revenue from Delaware operations reflects only the net amount we are paid of the total gaming win from our Bally's Dover Casino Resort. As of December 31, 2024, Dover Downs was entitled to an approximate 42% share of VLT revenue and 80% share of table games revenue.

Operational Requirements

In most jurisdictions, we are subject to certain requirements and restrictions on how we must conduct our gaming operations. In some states and territories, we are required to give preference to local suppliers and include minority and women-owned businesses in construction projects as well as in general vendor business activity. Similarly, we may be required to give employment preference to minorities, women and in-state residents in certain jurisdictions.

Some gaming jurisdictions also prohibit cash distributions from a gaming operation, except to allow for the payment of taxes, if the distribution would impair the financial viability of the gaming operation. Moreover, many jurisdictions require a gaming operation to maintain insurance and post bonds in amounts determined by the applicable gaming authority. In addition, our ability to conduct certain types of games, introduce new games or move existing games within our facilities may be restricted or subject to regulatory review and approval. Some of our operations are subject to restrictions on the number of gaming positions we may have and the maximum wagers allowed to be placed by our customers.

Our operating properties are also subject to various rules and regulations related to the prevention of financial crimes and combating terrorism, including the U.S. Patriot Act of 2001 and the Bank Secrecy Act. These rules and regulations require us to, among other things, implement policies and procedures related to anti-money laundering, suspicious activities, currency transaction reporting and due diligence on customers. Although we have policies and procedures designed to comply with these rules and regulations, to the extent they are not fully effective or do not meet heightened regulatory standards or expectations, we may be subject to fines, penalties, restrictions on certain activities, reputational harm, or other adverse consequences.

Riverboat Casinos

In addition to all other regulations generally applicable to the gaming industry, certain of our casinos are also subject to regulations applicable to vessels operating on navigable waterways, including regulations of the U.S. Coast Guard, or alternative inspection requirements. These requirements set limits on the operation of the vessel, mandate that it must be operated by a minimum complement of licensed personnel, establish periodic inspections, including the physical inspection of the outside hull, and establish other mechanical and operations rules. In addition, the riverboat casinos may be subject to future U.S. Coast Guard regulations, or alternative security procedures, designed to increase homeland security which could affect some of our properties and require significant expenditures to bring such properties into compliance.

Racetracks

We conduct horse racing operations at our racetracks in Aurora, Colorado and Dover, Delaware and operate additional off-track betting ("OTB") locations throughout Colorado. Regulations governing our horse racing operation in Colorado and Delaware are administered separately from the regulations governing gaming operations, with separate licenses and license fee structures. The racing authorities responsible for regulating our racing operations have broad oversight authority, which may include: annually reviewing and granting racing licenses and racing dates, approving the opening and operation of OTB facilities, approving simulcasting activities, licensing all officers, directors, racing officials and certain other employees of a racing licensee, and approving certain contracts entered into by a racing licensee affecting racing, pari-mutuel wagering, account wagering and OTB operations.

Retail and Online Wagering

We offer retail sports wagering at our casinos, as well as mobile sports wagering and iGaming in several US jurisdictions, and the Canadian province of Ontario. We and our partners are subject to various federal, state and international laws and regulations that affect our retail and mobile sports wagering businesses. Additional laws in any of these areas are likely to be passed in the future, which could impact the ways in which we and our partners are able to offer sports wagering in jurisdictions that permit such activities.

Interactive Business

We are subject to various federal, state and international laws and regulations that affect our interactive business, including those relating to the general operation of online gaming and/or betting in a particular state or territory, anti-money laundering, responsible gaming, anti-bribery, anti-corruption, privacy and security of customer and employee personal information and those relating to the Internet, behavioral tracking, mobile applications, advertising and marketing activities, sweepstakes and contests. Additional laws in all of these areas are likely to be passed in the future, which could result changes to the legal and/or regulatory environment, including more stringent monitoring of customer playing patterns and increased levels of checks, balances and intervention with our customers and in significant limitations on or changes to the ways in which we can collect, use, host, store or transmit the personal information and data of our customers or employees, communicate with our customers, and deliver products and services, or may significantly increase our compliance costs. As new legal and regulatory requirements are introduced and as our business expands to include new uses or collection of data that is subject to privacy or security regulations, our compliance requirements and costs will increase and we may be subject to increased regulatory scrutiny.

Some of our social gaming products and features are based upon traditional casino games, such as slots and table games. Although we do not believe these products and features constitute gambling, it is possible that additional laws or regulations may be passed in the future that would restrict or impose additional requirements on our social gaming products and features.

[This page intentionally left blank]



© 2025 BALLY, BALLY'S, the BALLY'S Logo, BALLY REWARDS, WELCOME TO THE BALLYVERSE, FOR FUN'S SAKE, and JUMP INTO THE THRILL are service marks and registered service marks of Bally's Management Group, LLC and its affiliates. Must be 18+ or 21+ based on jurisdiction. Gambling Problem? Call 1-800-GAMBLER.