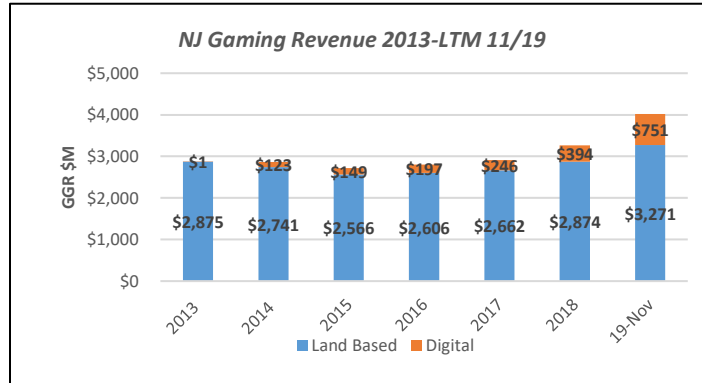


Across all Forms of Gaming, NJ is “Firing on All Cylinders”

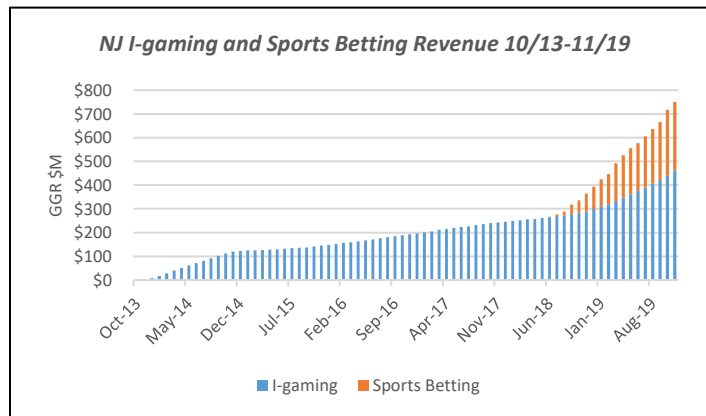
After years of GGR decline and casino closures, land-based GGR grew ~\$400m, ~14%, since the introduction of digital gaming in November 2013

- I-gaming has ramped up to \$463M; sports betting, which commenced in June 2018, generated \$288M GGR for a total of \$751M in digital GGR for the 12 months ended November 2019
- The expansion in digital gaming has not curtailed land-based growth and suggests that digital gaming is attracting a different customer than the existing casino customer and therefore bringing incremental revenue
- As a result of the successful expansion of digital gaming and growth in land-based gaming, NJ has now climbed back to just under \$4B in total gaming revenue, just 30% lower than peak revenue of \$5.2B in 2006



Sports betting has been a boon to i-gaming with cross-promotion across platforms driving total revenues

- From 2014 to the middle half of 2018, i-gaming grew between 20%-30% Y/Y and generated \$261M as of the 12-month period ended in May 2018
- Since the legalization and expansion of sports betting starting in June of 2018, the growth of i-gaming doubled, such that i-gaming generated \$463M in revenue as of LTM November 2019, an increase of ~77%
- This significant increase in i-gaming growth is mostly due to the substantial investment operators are making to acquire sports betting customers and then cross selling sports bettors into i-gaming
- Due to NJ’s success, other states have pursued gaming expansion across digital sports betting and internet gaming including Pennsylvania, Michigan, Delaware and West Virginia



NOTE: To track sports betting legislation in the US please visit our website: www.spectrumgamingcapital.com/us-sports-betting
 To access gaming industry analytics please visit our website at www.spectrumgamingcapital.com/analytics
 There we provide equity and debt comparisons for global gaming companies and gaming technology companies, a list of recent debt financings and a list of recent M&A transactions, updated weekly

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