

Risk Factors Comparison 2025-02-28 to 2024-02-29 Form: 10-K

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Our business is subject to a variety..... Report. ITEM 1A. RISK FACTORS You should consider each of the following factors as well as the other information in this Annual Report in evaluating our business and prospects. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently consider immaterial may also materially adversely impact our business, financial condition, results of operations or prospects. If any of the following risks actually occur, our business, financial condition, results of operations or prospects could be materially harmed and the trading price of our common stock could decline. You should also refer to the other information set forth in this Annual Report, including the information in Part II, Item 7: Management' s Discussion and Analysis of Financial Condition and Results of Operations, as well as our consolidated financial statements and the related notes included in Part II, Item 8. Risks Related to ~~our~~ **Our** Business and Operations Our business may be adversely affected by economic conditions, acts of terrorism, natural disasters, severe weather, contagious diseases and other factors affecting discretionary consumer spending, any of which could have a material adverse effect on our business. The demand for gaming, entertainment and leisure activities is highly sensitive to downturns in the economy and the corresponding impact on discretionary consumer spending. Any actual or perceived deterioration or weakness in general, regional or local economic conditions, unemployment levels, the job or housing markets, consumer debt levels or consumer confidence, as well as any increase in gasoline prices, tax rates, interest rates, inflation rates or other adverse economic or market conditions, may lead to our customers having less discretionary income to spend on gaming, entertainment and discretionary travel, any of which may have a material adverse effect on our business, financial condition, results of operations and prospects. Acts of terrorism, natural disasters, severe weather conditions and actual or perceived outbreaks of public health threats and pandemics, could also significantly affect demand for gaming, entertainment and leisure activities and discretionary travel, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects. ~~For example, the COVID-19 pandemic had an adverse effect on our results of operations during 2020 and the first half of 2021, including as a result of mandated property closures, operating restrictions, pandemic safety protocols and COVID-19 mitigation measures.~~ Furthermore, our properties are subject to the risk that operations could be halted for a temporary or extended period of time, as a result of casualty, forces of nature, adverse weather conditions, flooding, mechanical failure, or extended or extraordinary maintenance, among other causes. If there is a prolonged disruption at any of our casino properties due to natural disasters, terrorist attacks or other catastrophic events, our business, financial condition, results of operations and prospects could be materially adversely affected. Additionally, if extreme weather adversely impacts general economic or other conditions in the areas in which our properties are located or from which we draw our patrons or prevents patrons from easily coming to our properties, our business, financial condition, results of operations and prospects could be materially adversely affected. We face substantial competition in our business segments and may lose market share. The casino, hotel and hospitality industry is highly competitive. Our casino properties compete with numerous casinos and casino –hotels of varying quality and size in our markets. We also compete with other non- gaming resorts and vacation destinations, and other entertainment businesses. The casino entertainment business is characterized by competitors that vary considerably in their size, quality of facilities, number of operations, brand identities, marketing and growth strategies, financial strength and capabilities, level of amenities, management talent and geographic diversity. Many of our regional and national competitors have greater brand recognition and significantly greater resources than we have. ~~Their greater resources may also provide them with the ability to expand operations in the future.~~ If our competitors operate more successfully than we do, if they attract customers away from us as a result of aggressive pricing and promotion, if they are more successful than us in attracting and retaining employees, if their properties are enhanced or expanded, if they operate in jurisdictions that give them operating advantages due to differences or changes in gaming regulations or taxes, or if additional hotels and casinos are established in and around our markets, we may lose market share or the ability to attract or retain employees. Furthermore, several states are currently considering legalizing casino gaming in designated areas, and Native American tribes may develop or expand gaming properties in markets located more closely to our customer base (particularly Native American casinos located in California and Arizona). The expansion of casino gaming in or near any geographic area from which we attract or expect to attract a significant number of our customers, including legalized casino gaming in neighboring states and on Native American land, could have a significant adverse effect on our business, financial condition, results of operations, and prospects. With respect to our branded taverns, we face competition from other operators of casinos, hotels, taverns and other entertainment venues. In addition, we face ever- increasing competition from online gaming, including mobile gaming applications for **smartphones** ~~smart phones~~ and tablet computers, state- sponsored lotteries, card clubs, ~~sports~~ **sportsbook** ~~books~~ **facilities**, fantasy sports websites and other forms of legalized gaming. Various forms of internet gaming have been approved in Nevada, and legislation permitting internet gaming has been proposed by the federal government and other states. The expansion of internet gaming in Nevada and other jurisdictions could result in significant additional competition for our 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 branded tavern properties have an ongoing need for renovations and other capital improvements to remain competitive, including room refurbishments, amenity upgrades and, from time to time, replacement of furniture, fixtures and equipment. We may also need to make capital expenditures to comply with applicable laws and regulations. Construction projects entail significant risks, which can substantially increase costs or delay **the** 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 materially adversely affect our results of operations. Renovations and other capital improvements of casino properties in particular require significant capital expenditures. For example, between May 2018 and December 31, ~~2023~~ 2024, we invested over \$ ~~171~~ 182 million in strategic renovations of The STRAT. 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~~ by 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 our casino and branded tavern properties from time to time may put us at a competitive disadvantage to casinos or taverns offering more modern and better maintained facilities, which could have a material adverse effect on our business, financial condition, results of operations and prospects. Changes to gaming tax laws could increase our cost of doing business and have a material adverse effect on our financial condition. The gaming industry represents a significant source of tax revenue, particularly to the State of Nevada and its counties and municipalities. Gaming companies are currently subject to significant state and local taxes and fees in addition to normal federal and state corporate income taxes, and such taxes and fees are subject to increase at any time. From time to time, various federal, state and local legislators and other government officials have proposed and adopted changes in tax laws, or in the administration or interpretation of such laws, affecting the gaming industry. In addition, any worsening of economic conditions and the large number of state and local governments with significant current or projected budget deficits could intensify the efforts of 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 or in the administration or interpretation of such laws. Any material increase, or the adoption of additional taxes or fees, could have a material adverse effect on our business, financial condition, results of operations and prospects. Our business is subject to extensive gaming regulation, which is costly to comply with, and gaming authorities have significant control over our operations. We are subject to a variety of gaming regulations in the jurisdictions in which we operate, including the extensive gaming laws and regulations of the State of Nevada. Compliance with these regulations is costly and time- consuming. Regulatory authorities at the federal, state and local levels have broad powers with respect to the regulation and licensing of casino and gaming operations and may revoke, suspend, condition or limit our gaming or other licenses, impose substantial fines on us and take other actions, any one of which could have a material adverse effect on our business, financial condition, results of operations and prospects. We cannot assure you that we will be able to obtain and maintain the gaming licenses and related approvals necessary to conduct our gaming operations. Any failure to maintain or renew our existing licenses, registrations, permits or approvals could have a material adverse effect on our business, financial condition, results of operations and prospects. Our directors, officers and key employees are also subject to a variety of regulatory requirements and must be approved by certain gaming authorities. If any gaming authority with jurisdiction over our business were to find an officer, director or key employee of ours unsuitable for licensing or unsuitable to continue having a relationship with us, we would be required to sever our relationship with that person. Furthermore, such gaming authorities may require us to terminate the employment of any person who refuses to file appropriate applications. Either result could have a material adverse effect on our business, operations and prospects. Applicable gaming laws and regulations also restrict our ability to issue securities, incur debt and undertake other financing activities. Such transactions would generally require ~~the~~ approval of 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 operate gaming facilities. Further, our gaming regulators can require us to disassociate ourselves from suppliers or business partners found unsuitable by the regulators. If any gaming authorities were to find any person unsuitable with regard to his, her or its relationship to us or any of our subsidiaries, we would be required to sever our relationship with that person, which could have a material adverse effect on our business, operations and prospects. If additional gaming regulations are adopted in a jurisdiction in which we operate, such regulations could impose restrictions on us that would prevent us from operating our business as it is currently operated, or the increased costs associated with compliance with such regulations could lower our profitability. From time to time, various proposals are introduced in the legislatures of the jurisdictions in which we have operations that, if enacted, could adversely affect the tax, regulatory, operational or other aspects of the gaming industry and our company. Any such change to the regulatory environment or the adoption of new federal, state or local government legislation could impose additional restrictions or costs or could otherwise **have a material adverse effect on our business, financial condition, results of operations and prospects.** Any violation of applicable anti- money laundering laws or regulations or the Foreign Corrupt Practices Act could adversely affect our business, financial condition, results of operations and prospects. We handle significant amounts of cash in our operations and are subject to various reporting and anti- money laundering laws and regulations. U. S. governmental authorities have evidenced an increased focus on compliance with anti- money laundering laws and regulations in the gaming industry. Any violation of anti- money laundering laws or regulations could have a material adverse effect on our business, financial condition, results of operations and prospects. 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 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~~ **that** 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, results of operations and prospects. We are subject to

numerous other federal, state and local 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 other federal, state and local 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, zoning and building codes, and marketing and advertising. Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted. 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 a material adverse effect on our business, financial condition, results of operations and prospects. Our operations are subject to various environmental laws and regulations relating to emissions and discharges into the environment, and the storage, handling and disposal of hazardous and non-hazardous substances and wastes. These laws and regulations are complex and subject to change, and violations can lead to significant costs for corrective action and remediation, and fines and penalties. Under certain of these laws and regulations, a current or previous owner or operator of property may be liable for the costs of remediating contamination on its property, without regard to whether the owner or operator knew of, or caused, the presence of the contaminants, and regardless of whether the practices that resulted in the contamination were legal at the time that they occurred, as well as incur liability to third parties impacted by such contamination. The presence of contamination, or failure to remediate it properly, may adversely affect our ability to use, sell or rent property. As we acquire additional casino, resort and tavern properties, we may not know the full level of exposure that we may have undertaken despite appropriate due diligence. We endeavor to maintain compliance with environmental laws, but from time to time, current or historical operations on or adjacent to, our properties may have resulted or may result in noncompliance with environmental laws or liability for cleanup pursuant to environmental laws. In that regard, we may incur costs for cleaning up contamination relating to historical uses of certain of our properties. **Many of our employees, especially those who interact with our customers, receive a base salary or wage that is established by applicable state and federal laws that establish a minimum hourly wage that is, in turn, supplemented through tips and gratuities from customers. From time to time, state and federal 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, results of operations and prospects.** Alcoholic beverage control regulations require each of our branded taverns and casino properties to apply to a state authority and, in certain locations, county or municipal authority for a license or permit to sell alcoholic beverages. 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 business or businesses to be forced to cease operations. Moreover, state liquor laws may prevent the expansion of restaurant operations into certain markets. The loss or suspension of any liquor or food service license could have a material adverse effect on our business, financial condition, results of operations and prospects. Our insurance coverage may not be adequate to cover all possible losses that our business could suffer. In addition, our insurance costs may increase and we may not be able to obtain the same insurance coverage in the future. Although we have comprehensive property and liability insurance policies for our properties, with coverage features and insured limits that we believe are customary in their breadth and scope, each such policy has certain exclusions. Certain types of losses, generally of a catastrophic nature, such as earthquakes, hurricanes, floods or terrorist acts, or certain liabilities may be uninsurable or too expensive to justify obtaining insurance. Market forces beyond our control may also limit the scope of the insurance coverage we can obtain or our ability to obtain coverage at reasonable rates. As a result, we may not be successful in obtaining insurance without ~~cost~~ increases ~~in cost~~ or decreases in coverage levels. In addition, in the event of a major casualty, the insurance coverage we carry may not be sufficient to pay the full market value or replacement cost of our lost investment or in some cases could result in certain losses being totally uninsured. As a result, we could lose some or all of the capital we have invested in a property, as well as the anticipated future revenue from the property, and we could remain obligated for debt or other financial obligations related to the property, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects. In addition to the damage caused to our property by a casualty loss (such as fire, natural disasters, acts of war or terrorism), we may suffer business disruption as a result of these events or be subject to claims by third parties injured or harmed. While we carry business interruption insurance and general liability insurance, this insurance may not be adequate to cover all losses in such event. Similarly, although we have cybersecurity insurance policies, our coverage may not be sufficient to fully cover the costs related to cyber or other security threats or disruptions. Moreover, as cybersecurity incidents increase in frequency and magnitude, we may be unable to obtain cybersecurity insurance in amounts and on terms we view as adequate for our operations. We renew our insurance policies on an annual basis. The cost of coverage may become so high that we may need to reduce our policy limits or agree to certain exclusions from our coverage. Among other factors, it is possible that regional political tensions, homeland security concerns, other catastrophic events or any change in government legislation governing insurance coverage for acts of terrorism could materially adversely affect available insurance coverage and result in increased premiums on available coverage (which may cause us to elect to reduce our policy limits), additional exclusions from coverage or higher deductibles. **We may be subject to risks arising..... other potential causes of water shortage.** Work stoppages, labor problems and unexpected shutdowns may limit our operational flexibility and negatively impact our future profits. As of December 31, ~~2023~~ **2024**, we had ~~over~~ **approximately 1,400-500** employees at our casino properties covered by collective bargaining agreements, representing ~~25~~ **28** % of our total workforce. We cannot ensure that, upon the expiration of existing collective bargaining agreements, new agreements will be reached without union action or that any such new agreements will be on terms satisfactory to us. The inability to negotiate and enter into new collective bargaining agreements on favorable terms could result in an increase in our operating expenses. We cannot predict how stable our relationship with a given union is and whether we will be able to meet the union's requirements without impacting our financial condition. Unions may also limit our flexibility in dealing with our

workforce. Any renegotiation of collective bargaining and other labor agreements could significantly increase our costs for wages, healthcare, pension plans and other benefits, and could have a material adverse effect on the business of our casino properties and our financial condition, results of operations, and prospects. We may experience attempts by labor organizations to organize certain of our non-union employees. Any work stoppage at one or more of our casino properties could cause significant disruption of our operations or require us to expend significant funds to hire replacement workers, and qualified replacement labor may not be available at reasonable costs, if at all. Strikes and work stoppages could also result in adverse media attention or otherwise discourage customers from visiting our casino properties. As a result, a strike or other work stoppage at one of our casino properties could have a material adverse effect on the business of our casino properties and our financial condition, results of operations, and prospects. Any unexpected shutdown of one of our casino properties could have an adverse effect on the business of our casino properties and our results of operations. There can be no assurance that we will be adequately prepared for unexpected events, including political or regulatory actions, which may lead to a temporary or permanent shutdown of any of our casino properties. Our reputation and business could be materially harmed as a result of data breaches, data theft, unauthorized access or cybersecurity **incident incidents**. We collect and store confidential, personal information relating to our employees, guests, and others for various business purposes, including marketing, promotional and financial purposes, as well as credit card information for processing payments. We may share confidential or personal information with vendors or other third parties. Our collection and use of personal data are governed by state and federal privacy laws and regulations. Compliance with applicable privacy laws and regulations that are subject to frequent changes may increase our operating costs and / or adversely impact our ability to market our products, properties and services to our guests. Our success depends, in part, on the secure and uninterrupted performance of our information technology and other systems and infrastructure, including systems to maintain and transmit customers' personal and financial information, credit card settlements, credit card funds transmissions and mailing lists. We could encounter difficulties in developing new systems, maintaining and upgrading current systems and preventing security breaches. Among other things, our systems are susceptible to outages due to fire, floods, power loss, break-ins, cybersecurity incidents, network penetration, denial of service attacks and similar events. An increasing number of companies ~~like us~~ have experienced breaches of their security, including criminal cybersecurity incidents, some of which have involved sophisticated and highly targeted attacks on their computer networks or those of vendors and other third-party service providers. While we have and will continue to implement network security measures and data protection safeguards, our servers and other computer systems are vulnerable to viruses, malicious software, an event by a third-party in the form of a cybersecurity incident, an intrusion, hacking, break-in or theft, data privacy or security breach, employee error or malfeasance or another breach type or similar events, and our disaster plan may not account for all possible cybersecurity threat scenarios and assure the protection of information. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems, change frequently and often are not recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. For example, **in January 2021 as previously disclosed**, we were affected by a ransomware cyber-attack **in 2021** that temporarily disrupted our access to certain information located on our network. ~~Although~~ **The incident was considered fully remediated and** we ~~incurred some expenses with respect thereto, our financial information and business operations were not materially affected.~~ We implemented a variety of measures to further enhance our cybersecurity protections and minimize the impact of any future cybersecurity incidents. Nonetheless, if unauthorized parties gain access to our information technology and other systems, they may be able to access or misappropriate patron data, credit card information, vendor records, intellectual property, or confidential or other sensitive information (such as personally identifiable information of our customers, business partners and employees), disrupt our operations, corrupt data or computers, **enable physical access to otherwise secure locations on our properties**, cause a competitive disadvantage or otherwise damage our reputation and business. In the event of a breach of our information technology or other systems or other cybersecurity incident, we may incur expenses to retrieve data, could be held liable to our customers or other parties, or could be subject to regulatory or other actions for breaching privacy rules. Any compromise of our security could result in a loss of confidence in our security measures, and subject us to litigation, liability, fines and civil or criminal penalties, and negative publicity, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Further, if we are unable to comply with applicable privacy laws and regulations (including noncompliance by third parties or vendors engaged by us) or with the security standards established by banks and the payment card industry, we may be subject to liability (including fines), expulsion from card acceptance programs, and restrictions on our use or transfer of data, any of which could materially adversely affect our operations or result in damage to our reputation and business. Our third-party service providers may experience cybersecurity risks, similar to **those** mentioned above. We do not have direct control over the information systems or operations security of third parties. Unauthorized access to the information technology and other systems of vendors and other third-party service providers may have a materially adverse effect on our operations. **Our reputation and business could be..... availability of economically feasible solutions at scale**. Our revenues may be negatively impacted by volatility in our hold percentage, and we also face the risk of fraud or cheating. Casino revenue is recorded as the difference between gaming wins and losses or net win from gaming activities. Net win is impacted by variations in the hold percentage (the ratio of net win to total amount wagered), or actual outcome, on our slot machines, table games, and all other games we provide to our customers. We use the hold percentage as an indicator of a game's performance against its expected outcome. Although each game generally performs within a defined statistical range of outcomes, actual outcomes may vary for any given period. The hold percentage and actual outcome on our games can be impacted by the level of a customer's skill in a given game, errors made by our employees, the number of games played, faults within the computer programs that operate our slot machines and the random nature of slot payouts. If our games perform below their expected range of outcomes, our cash flow, financial condition and results of operations may suffer. In addition, gaming customers may attempt or commit fraud or otherwise cheat in order to increase their winnings. Acts of fraud or cheating could involve the use of counterfeit chips

or other tactics and could include collusion with our employees. Internal acts of cheating could also be conducted by employees through collusion with dealers, surveillance staff, floor managers or other casino or gaming area staff. Failure to discover such acts or schemes in a timely manner could result in losses in our gaming operations, which could be substantial. In addition, negative publicity related to such schemes could have an adverse effect on our reputation, thereby materially adversely affecting our business, financial condition, results of operations, and prospects. Our business is geographically concentrated, which subjects us to greater risks from changes in local or regional conditions. We currently operate casino properties solely in Nevada and operate our branded taverns mostly in the greater Las Vegas, Nevada metropolitan area. Due to this geographic concentration, our results of operations and financial condition are subject to greater risks from changes in local and regional conditions, such as: • changes in local or regional economic conditions and unemployment rates; • changes in local and state laws and regulations, including gaming laws and regulations; • a decline in the number of residents in or near, or visitors to, our properties; • changes in the local or regional competitive environment; and • adverse weather conditions and natural disasters (including weather or road conditions that limit access to our properties). Our Nevada Locals Casinos and branded taverns largely depend on the locals market for customers. Competition for local customers in Las Vegas in particular is intense. Local competitive risks and our failure to attract a sufficient number of guests, gaming customers and other visitors in these locations could adversely affect our business. In addition, the number of visitors to our Nevada casino properties may be adversely affected by increased transportation costs, the number and frequency of flights into or out of Las Vegas, and capacity constraints of the interstate highways that connect our casino properties with the metropolitan areas in which our customers reside. As a result of the geographic concentration of our businesses, we face a greater risk of a negative impact on our business, financial condition, results of operations and prospects in the event that any of the geographic areas in which we operate is more severely impacted by any such adverse condition, as compared to other areas in the United States. We may We evaluate all litigation claims and legal proceedings to assess the likelihood of unfavorable outcomes and to estimate, if possible, the amount of potential losses. Based on these assessments and estimates, we establish reserves and / or disclose the relevant litigation claims or legal proceedings, as appropriate. These assessments and estimates are based on the information available to management at the time and involve a significant amount of management judgment. We caution you that actual outcomes or losses may differ materially from those envisioned by our current assessments and estimates. As a result, litigation can have a significant adverse effect on our businesses and, because experience seasonal fluctuations that could significantly impact our quarterly operating results. We may experience seasonal fluctuations that could significantly impact our quarterly operating results. Our casino properties and branded taverns in Nevada have historically experienced lower revenues during the summer as a result of fewer tourists due to higher temperatures, as well as increased vacation activity by local residents. Our branded taverns typically experience higher revenues during the fall which corresponds with several professional sports seasons. While other factors like unemployment levels and market competition may either offset or magnify seasonal effects, some seasonality is likely to continue, which could result in significant fluctuation in our quarterly operating results. We may be subject to **litigation risks arising from climate-related matters. Most of our operations are located in areas classified as extreme weather locations, which puts our business at potential risk from natural disasters such as floods, flash floods even if without merit, droughts, can be expensive to defend and high winds, which may result in sudden interruption of business operations, flight cancellations, and a reduction in customers visitation. Additionally, there is scientific research that emissions of greenhouse gases continue to alter the composition of the global atmosphere in ways that are affecting and are expected to continue affecting the global climate. The effect of climate change, including any impact of global warming, could increase** expose us to significant liabilities, damage our reputation and result in substantial losses. From time to time, we are involved in a variety of lawsuits, claims, investigations and other **the level** legal proceedings arising in the ordinary course of **severity** business, including proceedings concerning labor and employment matters, personal injury claims, breach of contract claims, commercial disputes, business practices, intellectual property, tax and other **the frequency** matters. Refer to “Note 13 — Commitments and Contingencies” in Part II, Item 8: Financial Statements and Supplemental Data of **such extreme weather** this Annual Report for additional information. Certain litigation claims may not be covered entirely or at all by our insurance policies, or our insurance carriers may seek to deny coverage. In addition, litigation claims can be expensive to defend and may divert our attention from the operations of our businesses. Further, litigation involving visitors to our properties, even **events if without merit, can attract adverse media attention. While** We evaluate all litigation claims and legal..... effect on our businesses and, **because** we cannot predict **such naturally occurring events** the outcome of any action, it is possible **we maintain insurance coverage pertaining to the most common weather damage or destruction. We fully understand** that adverse judgments **such insurance coverage may not prevent or be sufficient to fully indemnify us against incurred costs directly or indirectly related to** or our settlements could **properties being damaged or destroyed as a result of such climate events. There can be no assurance that potential climate change effects and other extreme weather conditions that may arise will not** have a material adverse effect on our business, financial condition, results of operations and prospects. **Increasing** prices or shortages of energy and water may increase our cost of operations. Our properties use significant amounts of water, electricity, natural gas and other forms of energy. Our Nevada properties are located in a desert where water is scarce, and the hot temperatures require heavy use of air conditioning. While we have not experienced any shortages of energy or water in the past, we cannot guarantee you that we will not in the future. Other states have suffered from electricity shortages. For example, California and Texas have experienced rolling blackouts due to excessive air conditioner use because of unexpectedly high temperatures in the past. We We **expect that potable water in Nevada will become** depend on a limited number of key employees who would be difficult to replace. We depend on a limited number of key personnel to manage and **an increasingly scarce commodity at** operate our business, including our Chief Executive Officer, our President and **an increasing price due** Chief Financial Officer, and our Chief Operating Officer. We believe our success depends to a significant degree on our ability to attract and retain highly skilled personnel. The competition for these **the types long duration** of personnel is intense **severe**

drought experienced in Las Vegas and we compete with other potential employers for causes of water shortage. Our properties are also subject to federal, state, provincial and local laws and regulations regarding water rights and changes in the these laws services of our employees. As a result, we may not succeed in hiring and regulations may adversely affect retaining the executives and other employees that we need. An inability to hire quality employees or our the loss of key employees could operations. Many states and companies have adopted a material adverse effect on our or business, financial condition, results of operations and prospects plan to implement greenhouse gas (“ GHG ”) emissions programs. New GHG emissions legislation or regulations may potentially increase energy or capital expenditures costs to comply with the new laws or limit our guests’ ability to travel to our properties. From time to time, we may make strategic acquisitions; any failure to successfully integrate our businesses and businesses we acquire could materially adversely affect our business, and we may not realize the full benefits of our strategic acquisitions. Our ability to realize the anticipated benefits of any strategic acquisitions will depend, to a large extent, on our ability to successfully integrate our businesses with the businesses we acquire. Integrating and coordinating the operations and personnel of multiple businesses and managing the expansion in the scope of our operations and financial systems involves complex operational, technological and personnel-related challenges. The potential difficulties, and resulting costs and delays, relating to the integration of our business with our strategic acquisitions include: • the difficulty in integrating newly acquired businesses and operations in an efficient efficiently and effective-effectively manner; • the challenges in achieving strategic objectives, cost savings and other benefits expected from acquisitions; • the diversion of management’ s attention from day- to- day operations and additional demands on management relating to an increase in size or scope of our company following a significant acquisition; • the assimilation of employees and the integration of different business cultures and challenges in retaining key personnel; • the need to integrate information, accounting, finance, sales, billing, payroll and regulatory compliance systems; and • challenges in combining product offerings and sales and marketing activities. There is no assurance that we will successfully or cost- effectively integrate our businesses with the businesses we acquire, and the costs of achieving systems integration may substantially exceed the levels originally projected. Integration of recently acquired businesses into our own operations in particular can be time consuming and present financial, managerial and operational challenges. Issues that arise during this process may divert management’ s attention away from our day- to- day operations, and any difficulties encountered in the integration process could cause internal disruption in general, which could adversely impact our relationships with customers, suppliers, employees and other constituencies. Combining our different systems, technology, networks and business practices could be more difficult and time consuming than we anticipated, and could result in additional unanticipated expenses. In addition, bringing the legacy systems for acquired businesses into compliance with the requirements of the Sarbanes- Oxley Act of 2002 may cause us to incur substantial additional expense-expenses. Our reputation and business could be negatively impacted as a result of environmental, social and governance matters. Regulators, investors and other stakeholders are increasingly focused on environmental, social, and governance (“ ESG ”) matters. For example, new laws and regulations relating to ESG matters, including human rights and human capital, diversity, sustainability, climate change and cybersecurity, are under consideration or being may be adopted, which may include specific, target- driven disclosure requirements or obligations. We Our response may require additional incur increasing compliance costs, including from increased investment investments in technology and appropriate expertise, related to the implementation of new practices, GHG monitoring and reporting processes, all entailing additional compliance risks- risk. In addition, we have undertaken or announced a number of ESG initiatives and goals, which will require ongoing investment, and there is no assurance that we will achieve any of the these goals or that our initiatives will achieve their intended outcome-outcomes will be achieved. Consumer, government and other stakeholders’ perceptions of our efforts to achieve these goals often differ widely and present risks to our reputation and brands. In addition, Our performance could be compared to the performance of our peers and criticized for the scope of our ability to implement certain some initiatives or achieve certain some goals is dependent on external factors. For example, external factors may influence our ability to meet certain sustainability goals or initiatives which may depend in part on third- party collaboration, timing the availability of regulatory-suppliers that can satisfy new requirements, mitigation innovations and / or the availability of economically feasible solutions at scale. Risks Related to our Our Indebtedness Our significant indebtedness could adversely affect our financial health and prevent us from fulfilling our obligations. As of December 31, 2023-2024, our senior indebtedness, excluding unamortized debt issuance costs, was approximately \$ 674-414 million, which was comprised of \$ 398-394 million in principal amount of outstanding term loan borrowings under our senior secured credit facility with JPMorgan Chase Bank, N. A. (as administrative agent and collateral agent) (the “ Credit Facility ”) and approximately \$ 276-20 million in principal amount of outstanding borrowings under our revolving credit facility 7.625 % Senior Notes due 2026 (the “ 2026 Unsecured Notes Revolving Credit Facility ”). Our level of debt could, among other things: • require us to dedicate a larger portion of our cash flow from operations to the servicing and repayment of our debt, thereby reducing funds available for working capital, capital expenditures and acquisitions, and other general corporate requirements; • limit our ability to obtain additional financing to fund future working capital, capital expenditures and other general corporate requirements; • limit our flexibility in planning for, or reacting to, changes in our business and the industries in which we operate; • restrict our ability to make strategic acquisitions or dispositions or to exploit business opportunities; • increase our vulnerability to general adverse economic and industry conditions and increases in interest rates; • place us at a competitive disadvantage compared to our competitors that have less debt; and • adversely affect our credit rating or the market price of our common stock. Any of these risks could impact our ability to fund our operations or limit our ability to expand our business, which could have a material adverse effect on our business, financial condition, results of operations and prospects. Our ability to service all of our indebtedness will depend on our future operating performance and ability to generate cash flow in the future, both of which are subject to general economic, financial, business, competitive, legislative, regulatory and other factors that are beyond our control. We cannot assure you that our business will generate sufficient cash flow from operations to enable us to pay our indebtedness, which may result in

substantial liquidity problems that force us to take measures such as reducing or delaying investment and capital expenditures, disposing of material assets or operations, seeking additional debt or equity capital, or restructuring or refinancing our indebtedness. There can be no assurance that we are able to take any such measures, if necessary, on commercially reasonable terms or at all. If we cannot make scheduled payments on our debt, we will be in default and, as a result, our lenders could declare all outstanding amounts to be due and payable, terminate or suspend their commitments to loan money and foreclose against the assets securing such debt, and we could be forced into bankruptcy or liquidation, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects. **We may incur additional indebtedness, which Covenants in our debt instruments restrict our business and could limit further increase the risks associated with our leverage. We may incur significant additional indebtedness in the future, which may include financing relating to capital expenditures, potential acquisitions or our ability to implement our business plan expansion, working capital or general corporate purposes.** Our Credit Facility includes a \$ 240 million revolving credit facility (the “Revolving Credit Facility”), which was undrawn at December 31, 2023. In addition, our Credit Facility and the indenture governing the 2026 Unsecured Notes (the “Indenture”) permit us, subject to specific limitations, to incur additional indebtedness. If new indebtedness is added to our current level of indebtedness, the related risks that we now face could intensify. **Covenants in our debt instruments restrict our business and could limit our ability to implement our business plan. Our Credit Facility and Indenture contain contains**, and any future debt instruments likely will contain, covenants that may restrict our ability to implement our business plan, finance future operations, respond to changing business and economic conditions, secure additional financing, and engage in opportunistic transactions, such as strategic acquisitions. Our Credit Facility and Indenture include includes covenants restricting, among other things, our ability to incur indebtedness, issue redeemable or preferred stock, grant liens, sell assets (including capital stock of subsidiaries), pay dividends, redeem or repurchase capital stock, enter into affiliate transactions and merge or consolidate with another person. In addition, our Credit Facility contains a financial covenant applying a maximum net leverage ratio when borrowings under our Revolving Credit Facility exceed 30 % of the total revolving commitment. Our Credit Facility is secured by liens on substantially all of our and the subsidiary guarantors’ present and future assets (subject to certain exceptions). If we default under the Credit Facility or Indenture because of a covenant breach or otherwise, all outstanding amounts thereunder could become immediately due and payable. We cannot assure you that we will be able to comply with the covenants in our Credit Facility or Indenture or that any covenant violations will be waived. Any violation that is not waived could result in an event of default and, as a result, our lenders could declare all outstanding amounts to be due and payable, terminate or suspend their commitments to loan money and foreclose against the assets securing such debt, and we could be forced into bankruptcy or liquidation, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects. **We may incur additional indebtedness, which could further increase the risks associated with our leverage. We may incur significant additional indebtedness in the future, which may include financing relating to capital expenditures, potential acquisitions or business expansion, working capital or general corporate purposes. Our Credit Facility includes a \$ 240 million Revolving Credit Facility, which had borrowing availability of \$ 220 million at December 31, 2024. If new indebtedness is added to our current level of indebtedness, the related risks that we now face could intensify**. Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly. The borrowings under our Credit Facility are subject to variable rates of interest and expose us to interest rate risk. Increases in the interest rate generally, and particularly when coupled with any significant variable rate indebtedness, could materially adversely impact our interest expenses. As interest rates increase, our debt service obligations on the variable rate indebtedness also increase even if the amount borrowed remains the same, and our net income and cash flows, including cash available for servicing our indebtedness, will correspondingly decrease. Each quarter point change in interest rates would result in a \$ 1. 0 million change in annual interest expense on our indebtedness under our Credit Facility. **For example, in 2023, we incurred an additional \$ 3. 2 million in interest expense under our Credit Facility as a result of the increase in the interest rates, despite the significant year-over-year reduction in the level of our outstanding debt for the year ended December 31, 2023.** We are not required to enter into interest rate swaps to hedge such indebtedness. If we decide not to enter into hedges on such indebtedness, our interest expense on such indebtedness will fluctuate based on variable interest rates. Consequently, we may have difficulties servicing such unhedged indebtedness and funding our other fixed costs, and our available cash flow for general corporate requirements may be materially adversely affected. In the future, we may enter into interest rate swaps that involve the exchange of floating for fixed rate interest payments in order to reduce interest rate volatility. However, we may not maintain interest rate swaps with respect to all of our variable rate indebtedness, and any swaps we enter into may not fully mitigate our interest rate risk. Risks Related to Share Ownership and Shareholder Matters Our executive officers and directors own or control a large percentage of our common stock, which permits them to exercise significant control over us. As of December 31, **2023-2024**, our executive officers and directors and entities affiliated with them owned, in the aggregate, approximately 25 % of the outstanding shares of our common stock. Accordingly, these shareholders will be able to substantially influence all matters requiring approval by our shareholders, including the approval of mergers or other business combination transactions and the composition of our Board of Directors. This concentration of ownership may also delay, defer or even prevent a change in control of our company and would make some transactions more difficult or impossible without their support. Circumstances may arise in which the interests of these shareholders could conflict with the interests of our other shareholders. Our shareholders are subject to extensive governmental regulation and, if a shareholder is found unsuitable by a gaming authority, that shareholder would not be able to beneficially own our common stock directly or indirectly. Our shareholders may also be required to provide information that is requested by gaming authorities and we have the right, under certain circumstances, to redeem a shareholder’s securities; we may be forced to use our cash or incur debt to fund redemption of our securities. Gaming authorities may, in their sole and absolute discretion, require the holder of any securities issued by us to file applications, be investigated, and be found suitable to own our securities if they have reason to

believe that the security ownership would be inconsistent with the declared policies of their respective states. Gaming authorities have very broad discretion in determining whether an applicant should be deemed suitable. Subject to certain administrative proceeding requirements, gaming authorities 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, for any cause deemed reasonable by the gaming authorities. The applicant must pay all costs of investigation incurred by the gaming authorities in conducting any such investigation. In evaluating individual applicants, gaming authorities typically consider the individual's reputation for good character and criminal and financial history, and the character of those with whom the individual associates. If any gaming authority determines that a person is unsuitable to own our securities, then, under the applicable gaming laws and regulations, we can be sanctioned, including the loss of our privileged licenses or approvals, if, without the prior approval of the applicable gaming authority, we conduct certain business with the unsuitable person or fail to redeem the unsuitable person's interest in our securities or take such other action with respect to the securities held by the unsuitable person as the applicable gaming authority requires. For example, under Nevada gaming laws, each person who acquires, directly or indirectly, beneficial ownership of any voting security, or beneficial or record ownership of any non-voting security or any debt security, in a public corporation which is registered with the Nevada Gaming Commission (the "Gaming Commission") may be required to be found suitable if the Gaming Commission has reason to believe that his or her acquisition of that ownership, or his or her continued ownership in general, would be inconsistent with the declared public policy of Nevada, in the sole discretion of the Gaming Commission. Any person required by the Gaming Commission to be found suitable shall apply for a finding of suitability within 30 days after the Gaming Commission's request that he or she should do so and, together with his or her application for suitability, deposit with the Nevada Gaming Control Board, or the Control Board, a sum of money which, in the sole discretion of the Control Board, will be adequate to pay the anticipated costs and charges incurred in the investigation and processing of that application for suitability, and deposit such additional sums as are required by the Control Board to pay final costs and charges. Furthermore, any person required by a gaming authority to be found suitable, who is found unsuitable by the gaming authority, may not hold directly or indirectly the beneficial ownership of any voting security or the beneficial or record ownership of any nonvoting security or any debt security of any public corporation which is registered with the gaming authority beyond the time prescribed by the gaming authority. A violation of the foregoing may constitute a criminal offense. A finding of unsuitability by a particular gaming authority impacts that person's ability to associate or affiliate with gaming licensees in that particular jurisdiction and could impact the person's ability to associate or affiliate with gaming licensees in other jurisdictions. Many jurisdictions also require any person who acquires beneficial ownership of more than a certain percentage of voting securities of a gaming company and, in some jurisdictions, non-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, subject to limited exceptions for "institutional investors" that hold a company's voting securities for investment purposes only. Under Nevada gaming laws, any person who acquires or holds more than 5% of our voting power must report the acquisition or holding to the Gaming Commission. Except for certain pension or employee benefit plans, each person who acquires or holds the beneficial ownership of any amount of any class of voting power and who has the intent to engage in any "proscribed activity" shall (a) within 2 days after possession of such intent, notify the Chair of the Nevada Board in the manner prescribed by the Chair; (b) apply to the Gaming Commission for a finding of suitability within 30 days after notifying the Chair pursuant to paragraph (a); and (c) deposit with the Nevada Board the sum of money required by the Nevada Board to pay the anticipated costs and charges incurred in the investigation and processing of the application. "Proscribed activity" means: 1. An activity that necessitates a change or amendment to our corporate charter, bylaws, management, policies or operation of the Company; 2. An activity that materially influences or affects the affairs of the Company; or 3. Any other activity determined by the Gaming Commission to be inconsistent with holding voting securities for investment purposes. Nevada gaming regulations also require that beneficial owners of more than 10% of our voting power apply to the Gaming Commission for a finding of suitability within 30 days after the Chairman of the Nevada Board mails written notice requiring such filing. Further, an "institutional investor," as defined in the Nevada gaming regulations, ~~that which~~ acquires more than 10%, but not more than 25%, of our voting power may apply to the Gaming Commission for a waiver of such finding of suitability if such institutional investor holds our voting securities for investment purposes only. Our Articles of Incorporation require our shareholders to provide information that is requested by authorities that regulate our current or proposed gaming operations. Our Articles of Incorporation also permit us to redeem the securities held by persons whose status as a security holder, in the opinion of our Board of Directors, jeopardizes our existing gaming licenses or approvals. The price paid for these securities is, in general, the average closing price for the 30 trading days prior to giving notice of redemption. In the event a shareholder's background or status jeopardizes our current or proposed gaming licensure, we may be required to redeem such shareholder's securities in order to continue gaming operations or obtain a gaming license. This redemption may divert our cash resources from other productive uses and require us to obtain additional financing which, if in the form of equity financing, would be dilutive to our shareholders. Further, any debt financing may involve additional restrictive covenants and further leveraging of our fixed assets. The inability to obtain additional financing to redeem a disqualified shareholder's securities may result in the loss of a current or potential gaming license. Our stock price may continue to be volatile. The market price of our common stock has been ~~and~~ is likely to continue to be, volatile. During ~~2023~~ **2024**, the market price of our common stock has ranged from \$ ~~30-27.55-67~~ to \$ ~~43-40.60-15~~. The market price of our common stock may be significantly affected by many factors, including: • changes in general or local economic or market conditions; • quarterly variations in operating results; • strategic developments by us or our competitors; • developments in our relationships with our customers, distributors and suppliers; • regulatory developments or any breach, revocation or loss of any gaming license; • changes in our revenues, expense levels or profitability; • changes in financial estimates and recommendations by securities analysts; and • failure to meet the expectations of securities analysts. Any of these events may cause the market

price of our common stock to fall. In addition, the stock market in general has experienced significant volatility, which may adversely affect the market price of our common stock regardless of our operating performance. Future sales of our common stock could lower our stock price and dilute existing shareholders. We may from time to time file universal shelf registration statements for the future sale of common stock, preferred stock, debt securities and other securities, pursuant to which we may offer securities for sale from time to time. We may also issue additional shares of common stock to finance future acquisitions through the use of equity. For example, we issued approximately 0.9 million shares of our common stock in connection with our acquisition of Edgewater Gaming, LLC and Colorado Belle Gaming, LLC in January 2019, and approximately 4.0 million shares of our common stock in connection with our acquisition of American Casino and Entertainment Properties LLC in 2017. In addition, a substantial number of shares of our common stock is reserved for issuance upon the exercise of stock options and other equity awards pursuant to our employee benefit plans. We cannot predict the size of future issuances of our common stock or the effect, if any, that future sales and issuances of shares of our common stock will have on the market price of our common stock. Sales of substantial amounts of our common stock (including upon the exercise of stock options and warrants or in connection with acquisition financing), or the perception that such sales could occur, may adversely affect prevailing market prices for our common stock. In addition, these sales may be dilutive to existing shareholders. Provisions in our Articles of Incorporation and Bylaws or our debt facilities may discourage, delay or prevent a change in control or prevent an acquisition of our business at a premium price. Some of the provisions of our Articles of Incorporation and our Bylaws and Minnesota law could discourage, delay or prevent an acquisition of our business, even if a change in control would be beneficial to the interests of our shareholders and was made at a premium price. These provisions: • permit our Board of Directors to increase its own size and fill the resulting vacancies; • authorize the issuance of “blank check” preferred stock that our Board of Directors could issue to increase the number of outstanding shares to discourage a takeover attempt; and • permit shareholder action by written consent only if the consent is signed by all shareholders entitled to notice of a meeting. Although we have amended our Bylaws to provide that Section 302A.671 (Control Share Acquisitions) of the Minnesota Business Corporation Act does not apply to or govern us, we remain subject to 302A.673 (Business Combinations) of the Minnesota Business Corporation Act, which generally prohibits us from engaging in business combinations with any “interested” shareholder for a period of four years following the shareholder’s share acquisition date, which may discourage, delay or prevent a change in control of our company. ~~Under the Indenture, if certain specified change of control events occur, each holder of the 2026 Unsecured Notes may require us to repurchase all of such holder’s 2026 Unsecured Notes at a purchase price equal to 101% of the principal amount of such notes.~~ In addition, our Credit Facility provides for an event of default upon the occurrence of certain specified change of control events.