Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☑ **Annual Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended: December 31, 2024

☐ **Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from ____ to ____
Commission File No. 001-32583

FULL HOUSE RESORTS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**13-3391527**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**

One Summerlin, 1980 Festival Plaza Drive, Suite 680, Las Vegas, Nevada 89135
(Address and zip code of principal executive offices)

(702) 221-7800
(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, $0.0001 per Share	**FLL**	**The Nasdaq Stock Market LLC**

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

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

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

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 þ 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 þ 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	þ	Emerging growth company	☐
Non-accelerated filer	☐	Smaller reporting company	þ		

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. þ

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 Act). Yes ☐ No þ

The aggregate market value of Registrant's voting and non-voting common stock held by non-affiliates of the Registrant, as of June 28, 2024 (the last business day of the Registrant's most recently completed second fiscal quarter), was: $164.1 million. As of March 6, 2025, there were 35,875,647 shares of common stock, $0.0001 par value per share, outstanding.

Documents Incorporated by Reference

The information required by Part III of this Form 10-K is incorporated by reference from the Registrant's definitive proxy statement relating to the annual meeting of stockholders to be held in 2025, which definitive proxy statement is anticipated to be filed with the Securities and Exchange Commission within 120 days after the end of the Registrant's fiscal year ended December 31, 2024.

FULL HOUSE RESORTS, INC.
TABLE OF CONTENTS

	Page
Cautionary Statement Regarding Forward-Looking Statements	3
Summary of Risk Factors	4
PART I	
Item 1. Business	7
Item 1A. Risk Factors	14
Item 1B. Unresolved Staff Comments	34
Item 1C. Cybersecurity	35
Item 2. Properties	36
Item 3. Legal Proceedings	36
Item 4. Mine Safety Disclosures	36
PART II	
Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	37
Item 6. [Reserved]	37
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	38
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	90
Item 9A. Controls and Procedures	90
Item 9B. Other Information	91
Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	91
PART III	
Item 10. Directors, Executive Officers and Corporate Governance	91
Item 11. Executive Compensation	91
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	91
Item 13. Certain Relationships and Related Transactions, and Director Independence	91
Item 14. Principal Accounting Fees and Services	91
PART IV	
Item 15. Exhibits, Financial Statement Schedules	92
Item 16. Form 10-K Summary	95
SIGNATURES	96

Cautionary Statement Regarding Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") for which the Private Securities Litigation Reform Act of 1995 provides a safe harbor. These forward-looking statements can be identified by use of terms such as "believes," "expects," "anticipates," "estimates," "plans," "intends," "objectives," "goals," "aims," "projects," "forecasts," "future," "possible," "seeks," "may," "could," "should," "will," "might," "likely," "enable," or similar words or expressions, as well as statements containing phrases such as "in our view," "we cannot assure you," "although no assurance can be given," or "there is no way to anticipate with certainty." Examples of forward-looking statements include, among others, statements we make regarding our plans, beliefs or expectations regarding our growth strategies; our expected construction budgets, estimated commencement and completion dates, expected amenities, and our expected operational performance for our growth projects, such as American Place; our expectations regarding the timing of the closing of the second phase of the sale of Stockman's Casino; our expectations regarding our ability to generate operating cash flow and to obtain debt financing on reasonable terms and conditions for the construction of the permanent American Place facility; our investments in capital improvements and other projects, including the amounts of such investments, the timing of commencement or completion of such capital improvements and projects, and the resulting impact on our financial results; our sports wagering contracts with third-party providers, including the expected revenues and expenses, as well as our expectations regarding the potential usage of our idle sports skins by us or others; our expectations regarding our ability to exercise any of our buyout options under our leases; adequacy of our financial resources to fund operating requirements and planned capital expenditures and to meet our debt and contractual obligations; expected sources of revenue; anticipated sources of funds; anticipated or potential legislative actions; beliefs in connection with our marketing efforts; factors that affect the financial performance of our properties; adequacy of our insurance; competitive outlook; outcome of legal matters; impact of recently issued accounting standards; and estimates regarding certain accounting and tax matters, among others.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the factors as discussed throughout Part I, Item 1A. "Risk Factors" and Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report on Form 10-K.

These forward-looking statements speak only as of the date on which this statement is made, and we undertake no obligation to update or revise any forward-looking statements as a result of future developments, events or conditions, except as required by law. New risks emerge from time to time and it is not possible for us to predict all such risk factors, nor can we assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ significantly from those forecast in any forward-looking statements. You should also be aware that while we communicate from time to time with securities analysts, we do not disclose to them any material non-public information, internal forecasts or other confidential business information. Therefore, you should not assume that we agree with any statement or report issued by any analyst, irrespective of the content of the statement or report. To the extent that reports issued by securities analysts contain projections, forecasts or opinions, those reports are not our responsibility and are not endorsed by us.

Summary of Risk Factors

The following is a summary of the risk factors discussed in Part I, Item 1A. "Risk Factors" of this Form 10-K. This summary should be read in conjunction with those Risk Factors and should not be relied upon as an exhaustive summary of the material risks facing our business.

Risks Related to our Business and Operations

- We face significant competition from other gaming and entertainment operations.
- We may face revenue declines if discretionary consumer spending drops, including due to an economic downturn.
- We cannot assure you that any of our contracted sports betting parties, through the use of our permitted website "skins," will be able to compete effectively, that our contracted sports parties will have the ability and/or willingness to sustain sports betting operations should they experience an extended period of unprofitability, or that we will have the ability to replace existing partners or vendors on similar terms as our existing contractual revenue minimums.
- Our Mississippi casino hotel and Illinois casino operations currently generate a significant percentage of our revenues and Adjusted EBITDA. Our ability to meet our operating and debt service requirements is dependent, in part, upon the continued success of those properties.
- We derive our revenues and operating income from our properties located in Mississippi, Colorado, Indiana, Nevada and Illinois, and are especially subject to certain risks, including economic and competitive risks, associated with the conditions in those areas and in the states from which we draw patrons.
- Some of our operations are located on leased property. If the lessor of the Grand Lodge Casino exercises its buyout or early termination rights or fails to extend the lease, or if we default on this or certain of our other leases, the applicable lessors could terminate the affected leases and we could lose possession of the affected casino.
- A prolonged closure of our casinos would negatively impact our ability to service our debt.
- Adverse weather conditions, road construction, gasoline shortages and other factors affecting our facilities and the areas in which we operate could make it more difficult for potential customers to travel to our properties and deter customers from visiting our properties.
- Our results of operations and financial condition could be materially adversely affected by the occurrence of natural disasters, including as a result of climate change, such as hurricanes, floods, wildfires, pandemics, epidemics, widespread health emergencies, or outbreaks of infectious diseases such as the coronavirus pandemic, or other catastrophic events, including war, terrorism and gun violence.
- Several of our properties, including Silver Slipper, Chamonix, Bronco Billy's and Rising Star, are accessed by our customers via routes that have few alternatives.
- Marine transportation is inherently risky, and insurance may be insufficient to cover losses that may occur to our assets or result from our ferry boat operations.
- We may incur property and other losses that are not adequately covered by insurance, including adequate levels of Weather Catastrophe Occurrence/Named Windstorm, Flood and Earthquake insurance coverage for our properties.
- We depend on our key personnel and our ability to attract and retain employees.
- Higher wage and benefit costs could adversely affect our business.
- Rising operating costs at our gaming properties could have a negative impact on our business.
- We face the risk of fraud and cheating.
- Win rates for our gaming operations depend on a variety of factors, some beyond our control.
- The concentration and evolution of the slot machine manufacturing industry could impose additional costs on us.
- Our business may be adversely affected by legislation prohibiting tobacco smoking.
- We rely on, among other things, trademarks, licenses, confidentiality procedures, and contractual provisions to protect our intellectual property rights and we may be unable to protect or may not be successful in protecting our intellectual property rights.
- Our commercial success depends upon us avoiding the infringement of intellectual property rights owned by others and any such infringements, including those that are inadvertent, may have a material adverse effect on our business.
- We are subject to risks related to corporate social responsibility and reputation.

Risks Related to Development and Growth Opportunities

- We are engaged from time to time in one or more construction and development projects, and many factors could prevent us from completing them as planned.
- The construction costs for our growth projects may exceed budgeted amounts plus contingencies. This may result in insufficient funds to complete these projects or the need to raise additional capital.
- There is no assurance that any growth projects will not be subject to additional regulatory restrictions, delays, or challenges.
- There is no assurance that our growth projects will be successful.
- We face a number of challenges prior to opening new or upgraded facilities.
- We may face disruption and other difficulties in integrating and managing facilities we have recently developed or acquired, or may develop or acquire in the future.
- The construction of the permanent American Place facility may inconvenience customers and disrupt business activity at our adjacent temporary casino facility.
- The permanent American Place facility, additional growth projects or potential enhancements at our properties may require us to raise additional capital.
- The casino, hotel and resort industry is capital intensive, and we may not be able to finance expansion and renovation projects, which could put us at a competitive disadvantage.
- We may face risks related to our ability to receive regulatory approvals required to complete certain acquisitions, mergers, joint ventures, and other developments, as well as other potential delays in completing certain transactions.
- If we fail to obtain necessary government approvals in a timely manner, or at all, it can adversely impact our various expansion, development, investment and renovation projects.
- Insufficient or lower-than-expected results generated from our new developments and acquired properties may negatively affect our operating results and financial condition.

Risks Related to our Indebtedness

- Our significant indebtedness could adversely affect our financial health and prevent us from fulfilling our obligations.
- The indenture governing the Notes and the Credit Facility impose restrictive covenants and limitations that could significantly affect our ability to operate our business and lead to events of default if we do not comply with the covenants.
- To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control.
- We may not be able to generate sufficient cash flows to service all of our indebtedness and fund our operating expenses, working capital needs and capital expenditures, and we may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.
- We depend on our subsidiaries for certain dividends, distributions and repayment of our indebtedness, including the Notes and any borrowings under the Credit Facility.
- Our ability to obtain additional financing on commercially reasonable terms may be limited.
- The obligations under the Notes and the Credit Facility are collateralized by a security interest in substantially all of our assets. If we default on those obligations, the holders of the Notes and lenders under the Credit Facility could foreclose on our assets. In addition, the existence of these security interests may adversely affect our financial flexibility.
- We and our subsidiaries may still be able to incur substantially more debt, including subordinated debt, which could further exacerbate the risks described above.

Risks Related to our Legal and Regulatory Environment

- We face extensive regulation from gaming and other regulatory authorities and the cost of compliance or failure to comply with such regulations may adversely affect our business and results of operations.
- Changes in legislation and regulation of our business could have an adverse effect on our financial condition, results of operations and cash flows.
- Stockholders may be required to dispose of their shares of our common stock if they are found unsuitable by gaming authorities.
- We are subject to environmental laws and potential exposure to environmental liabilities.
- We are subject to litigation which, if adversely determined, could cause us to incur substantial losses.
- Our ferry boat service is highly regulated, which can adversely affect our operations.

Risks Related to Technology

- Our gaming operations rely heavily on technology services and an uninterrupted supply of electrical power. If we experience damage or service interruptions, we may have to cease some or all of our operations, which will result in a decrease in revenue.
- Our information technology and other systems are subject to cybersecurity risk, misappropriation of customer information and other breaches of information security.

General Risks

- Our ability to utilize our net operating loss ("NOL") carryforwards and certain other tax attributes may be limited.
- The market price for our common stock may be volatile, and investors may not be able to sell their stock at a favorable price, or at all.
- The exercise of outstanding options to purchase common stock may result in substantial dilution and may depress the trading price of our common stock.

PART I

Item 1. Business.

References in this document to "Full House," the "Company," "we," "our," or "us" refer to Full House Resorts, Inc. and its subsidiaries, except where stated or the context otherwise indicates.

Introduction

Formed as a Delaware corporation in 1987, Full House Resorts, Inc. owns, leases, operates, develops, manages, and/or invests in casinos and related hospitality and entertainment facilities.

We currently operate seven casinos: six on real estate that we own or lease, and one located within a hotel owned by a third party. Additionally, we benefit from seven permitted sports wagering skins – three in Colorado, three in Indiana, and one in Illinois. Other companies currently operate the active online sports wagering websites under their brands, paying us a percentage of revenues, as defined, subject to annual minimum amounts.

In February 2023, we opened our temporary American Place facility, which we are permitted to operate until August 2027. We have begun the design work for the permanent gaming resort facility that we plan to build on adjoining land.

In August 2024, we entered into an agreement to sell Stockman's to a privately owned company. We closed on the sale of Stockman's real property in September 2024. We continue to operate the business under a leaseback agreement with the new owners for use of their facilities until the second closing of the Stockman's sale, which is expected to occur in the first half of 2025.

In October 2024, we completed the phased opening of Chamonix, our newest property, located adjacent to our existing Bronco Billy's Casino.

The following table presents selected information concerning our casino resort properties as of December 31, 2024:

Segments and Properties	Locations
Midwest & South	
American Place*	Waukegan, IL (northern suburb of Chicago)
Silver Slipper Casino and Hotel ("Silver Slipper")	Hancock County, MS (near New Orleans)
Rising Star Casino Resort ("Rising Star")	Rising Sun, IN (near Cincinnati)
West	
Bronco Billy's Casino ("Bronco Billy's") and Chamonix Casino Hotel ("Chamonix")*	Cripple Creek, CO (near Colorado Springs)
Grand Lodge Casino ("Grand Lodge"), leased and part of the Hyatt Regency Lake Tahoe Resort, Spa and Casino	Incline Village, NV (North Shore of Lake Tahoe)
Stockman's Casino ("Stockman's"), held for sale starting August 2024	Fallon, NV (one hour east of Reno)
Contracted Sports Wagering	
One active sports wagering website ("skin"), plus two others that are currently idle	Colorado
One active sports wagering website ("skin"), plus two others that are currently idle	Indiana
One active sports wagering website ("skin"), commenced in August 2023	Illinois

* The temporary American Place facility opened on February 17, 2023. Chamonix opened in phases between December 2023 and October 2024.

We manage our casinos based primarily on geographic regions within the United States and type of income. Our corporate headquarters is in Las Vegas, Nevada. Our reportable segments are identified as Midwest & South, West, and Contracted Sports Wagering.

Our mission is to maximize stockholder value, while also being a responsible borrower, good employer, and active community participant. We seek to increase revenues by providing our customers with their favorite games and amenities, high-quality customer service, and appropriate customer loyalty programs. Our customers include nearby residents who represent a high potential for repeat visits, along with drive-in tourist patrons. We continuously focus on improving the operating results of our existing properties through a combination of revenue growth and expense management efforts. The casino resort industry is capital-intensive; we rely on the ability of our properties to generate operating cash flow to pay interest, repay debt, and fund maintenance and certain growth-related capital expenditures. We also continually assess the potential impact of growth and development opportunities, including capital investments at our existing properties, the development of new properties, and the acquisition of existing properties.

Our casino properties generally operate 24 hours each day, 365 days per year. We also generally operate the hotel, food and beverage, and other on-site operations at our properties, although the steakhouse at Chamonix is operated by a third party. Additionally, we operate a golf course, recreational vehicle park ("RV park") and ferry service at Rising Star and an RV park at Silver Slipper. At Grand Lodge, the landlord of the Hyatt Regency Lake Tahoe Resort, Spa and Casino ("Hyatt Lake Tahoe") manages the adjoining hotel, as well as the food and beverage outlets.

Operating Properties

Silver Slipper Casino and Hotel *(Hancock County, Mississippi)*

The Silver Slipper is the western-most casino on the Mississippi Gulf Coast, midway between Biloxi, Mississippi and New Orleans, Louisiana. The property sits at the western end of an approximately eight-mile-long white sand beach, the closest such beach to the New Orleans and Baton Rouge metropolitan areas. Its customers are primarily from communities in southwestern Mississippi and southern Louisiana, including the North Shore of Lake Pontchartrain and the New Orleans and Baton Rouge metropolitan areas. In addition to its large, modern casino, the Silver Slipper offers 129 hotel rooms or suites, an on-site sportsbook, a fine-dining restaurant, a buffet, a quick-service restaurant, a casino bar and a beachfront pool and bar. It also manages a nearby beachfront RV park.

The primary lease for the Silver Slipper includes approximately 38 acres, consisting of the seven-acre parcel on which the casino and hotel is situated and approximately 31 acres of protected marshlands. The lease term ends in April 2058. Through October 1, 2027, we have the option to buy out the lease.

Bronco Billy's Casino / Chamonix Casino Hotel *(Cripple Creek, Colorado)*

Bronco Billy's and Chamonix are two integrated and adjoining casinos, and are operated by our management team as a single entity. The properties are located in Cripple Creek, Colorado, a historical gold mining town located approximately one hour from Colorado Springs and two hours from Denver. Its customers are primarily from the Colorado Springs/Pueblo/Cañon City metropolitan area, the second-largest metropolitan area in Colorado, with a population of approximately one million people. Its secondary market, the Denver metropolitan area, has a population of approximately four million people. It occupies a significant portion of the key city block of Cripple Creek's "casino strip." Chamonix was opened in phases, beginning in December 2023 and completing in October 2024. The combined Bronco Billy's / Chamonix complex offers two integrated casinos, approximately 300 luxury guest rooms, 14 additional hotel rooms located nearby, two casual dining outlets, a coffee bar, a steakhouse managed by a third-party, parking garage, rooftop pool, jewelry store, spa, and convention and meeting facilities.

We own much of the real estate for these two properties, but also lease certain parking lots and buildings, including a portion of the hotel and casino, under a long-term lease. The lease has six renewal options in three-year increments through January 2035. We have the right to buy out the lease at any time during its term.

We are allowed to offer online sports wagering through three sports "skins" in Colorado. Rather than operate these sports skins ourselves, we historically have contracted with outside companies to operate such skins under their own brands in exchange for a percentage of revenues, as defined in each contract, subject to annual minimum amounts paid to us. As of December 31, 2024, one of our three skins was live.

Rising Star Casino Resort *(Rising Sun, Indiana)*

Rising Star is located on the banks of the Ohio River in Rising Sun, Indiana, approximately one hour from Cincinnati, Ohio, and within two hours of Indianapolis, Indiana, and Louisville and Lexington, Kentucky. In addition to its riverboat-based casino, Rising Star offers a land-based pavilion with approximately 31,500 square feet of meeting and convention space; a contiguous 190-guest-room hotel; an adjacent, leased 104-guest-room hotel set on three acres; a 56-space RV park; four dining outlets; surface parking; and an 18-hole golf course on over 230 acres. The 104-guest-room hotel is leased pursuant to an agreement that expires in October 2027 and contains a bargain purchase option, whereby we have the right to purchase the hotel and the landlord has the right to put the hotel to us, in both cases for $1 upon maturity of the lease. We also own 1.3 acres located in Burlington, Kentucky that is used as part of our ferry boat operations, which connects the more populous Boone County, Kentucky to our Rising Star property in Indiana.

We are allowed to offer online sports wagering through three sports "skins" in Indiana. As in Colorado, we historically have contracted with outside companies to operate such skins under their own brands in exchange for a percentage of revenues, as defined in each contract, subject to annual minimum amounts. As of December 31, 2024, one of our three skins was live.

Stockman's Casino *(Fallon, Nevada)*

Stockman's is located in Churchill County, Nevada, approximately one hour from Reno, Nevada. Stockman's primarily serves the local market of Fallon and surrounding areas, including the nearby Fallon Naval Air Station, which is the Navy's premier air training facility, informally referred to as the "Top Gun" school. In addition to its casino, Stockman's offers a bar, fine-dining restaurant and coffee shop.

On August 28, 2024, we entered into an agreement with a privately-owned company to sell Stockman's for total gross proceeds of $9.2 million, plus certain expected working capital adjustments at closing. We closed on the sale of Stockman's real property in September 2024. We continue to operate the business under a leaseback agreement with the new owners for use of their facilities until the second closing of the Stockman's sale, which is expected to occur in the first half of 2025. See Note 3 to the consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data" for details.

Grand Lodge Casino *(Incline Village, Nevada)*

We operate Grand Lodge at the Hyatt Lake Tahoe under a lease with Incline Hotel, LLC. Grand Lodge is located within the Hyatt Lake Tahoe in Incline Village, Nevada on the north shore of Lake Tahoe and includes approximately 20,990 square feet of leased space. The Hyatt Lake Tahoe is one of three AAA Four Diamond hotels in the Lake Tahoe area. Our casino's customers consist of both locals and tourists visiting the Lake Tahoe area.

Our lease currently expires on December 31, 2034, though it can be cancelled prior to its expiration on terms specified in the lease. The lease was entered into in 2011 and has been extended several times, although there is no certainty that this will continue to be the case. The lease is secured by our interests under such lease, consisting of certain collateral (as defined and described in a security agreement), and is subordinate to both our 8.25% Senior Secured Notes due 2028 and Revolving Credit Facility. We own the personal property, including slot machines. The landlord currently has both an option to terminate the lease early with six months' notice in the event of a significant renovation, and to purchase our leasehold interest and operating assets of the Grand Lodge Casino at a defined price based partially on earnings.

American Place *(Waukegan, Illinois)*

American Place is located in Waukegan, Illinois, a northern suburb of Chicago. Waukegan is the county seat of Lake County, which has a population of approximately 709,000. According to the U.S. Census Bureau, Lake County is the third most populous county in the state, and one of the wealthier counties in both Illinois and the United States. American Place is currently located in a temporary facility that we are permitted to operate until August 2027, which includes a large casino floor, a center bar, a fine-dining restaurant, two additional full-service restaurants, and two customized Airstream trailers located within the casino that serve beverages and quick meals.

We are currently designing the permanent American Place casino, which is projected to be completed in 2027 and will be located adjacent to the temporary facility. The permanent American Place is slated to include a world-class casino with a state-of-the-art sports book, a premium boutique hotel comprised of 20 luxurious villas, assorted eateries and bars, and other amenities designed to attract gaming and non-gaming patrons from throughout Chicagoland and beyond.

American Place is located on approximately 42 acres of land, consisting of approximately 10 acres of owned land and an adjoining approximately 32 acres that are under a 99-year lease with the City of Waukegan. We have an option to buy out the lease at any time for $30 million. If we do so prior to the opening of the permanent American Place facility, then we must continue to pay rent due to the City of Waukegan under this lease until the permanent casino is open.

Government Regulation

The gaming industry is highly regulated. We must maintain our licenses and pay gaming taxes to continue our operations. Each of our casinos is subject to extensive regulation under the laws, rules, and regulations of the jurisdiction in which it is located. These laws, rules, and regulations generally concern the responsibility, financial stability, and character of the owners, managers, and persons with financial interests in the gaming operations and include, without limitation, the following conditions and restrictions:

- Periodic license fees and taxes must be paid to state and local gaming authorities;
- Certain officers, directors, key employees, and gaming employees are required to be licensed or otherwise approved by the gaming authorities;
- Individuals who must be approved by the gaming authorities must submit comprehensive personal disclosure forms and undergo an extensive background investigation;
- Changes in any licensed or approved individuals must be reported to and/or approved by the relevant gaming authority;
- Failure to timely file the required application forms by any individual required to be approved by the relevant gaming authority may result in that individual's denial and the gaming licensee may be required by the gaming authority to disassociate with that individual; and
- If any individual is found unsuitable by a gaming authority, the gaming licensee is required to disassociate with that individual.

Violations of gaming laws in one jurisdiction could result in disciplinary action in other jurisdictions. A summary of the governmental gaming regulations to which we are subject is filed as Exhibit 99.1 and is herein incorporated by reference.

Our businesses are also subject to other various federal, state, and local laws and regulations. These laws and regulations include, but are not limited to, restrictions and conditions concerning alcoholic beverages, smoking, environmental matters, employees, currency transactions, taxation, zoning and building codes, construction, land use, and marketing and advertising. We also deal with significant amounts of cash in our operations and are subject to various reporting and anti-money laundering regulations. Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted. Material changes, new laws or regulations, or material differences in interpretations by courts or governmental authorities could adversely affect our operating results. See Part I, Item 1A. "Risk Factors – Risks Related to our Legal and Regulatory Environment" for additional discussion.

Costs and Effects of Compliance with Environmental Laws

We are subject to various federal, state and local environmental laws and regulations that govern our operations, including emissions and discharges into the environment, and the handling and disposal of hazardous and non-hazardous substances and wastes. For example, our Indiana property is subject to environmental regulations for its riverboat, ferry boat and golf club operations. Our Mississippi property is located near environmental wetlands. In Colorado and Illinois, we are building, or have recently built, major new casino hotels and such construction must also adhere to certain environmental regulations. Our Colorado facilities, for example, are in historical mining areas. Failure to comply with applicable laws and regulations could result in costs for corrective action, penalties or the imposition of other liabilities or restrictions. We also are subject to laws and regulations that impose liability and clean-up responsibility for releases of hazardous substances into the environment. Under certain of these laws and regulations, a current or previous owner or operator of the property may be liable for the costs of remediating contaminated soil or groundwater on or from its property, without regard to whether the owner or operator knew of, or caused, the contamination, and may also 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 the property. To date, none of these matters or other matters arising under environmental laws has had a material adverse effect on our business, financial condition, or results of operations; however, we cannot assure you that such matters will not have such an effect in the future.

Competition

The gaming industry is highly competitive. Gaming activities with which we compete include traditional commercial casinos and casino resorts in various states, including on tribal lands and at racetracks; state-sponsored lotteries; video poker, sports betting, and slot machines in restaurants, bars, sports arenas, and hotels; pari-mutuel betting on horse racing; and card rooms. We also face competition from Internet lotteries, sweepstakes, and other Internet gaming services, beyond those in which we participate. Internet gaming services, which are legal in some states, allow customers to wager on a wide variety of sporting events and play Las Vegas-style casino games from home or in non-casino settings. This could divert customers from our properties, and thus, adversely affect our business. All of our casinos, as well as other casinos that we may develop or acquire, compete with all these forms of gaming. We also compete with any new forms or jurisdictions of gaming that may be legalized, as well as with other types of entertainment. Some of our competitors have more personnel and greater financial or other resources than we do. The principal methods of competition are: location, with casinos located closer to their feeder markets at an advantage; casino, lodging, entertainment and other hospitality product quality in terms of facilities, customer service and ease of access; breadth of offerings, including the types of casino games and other non-gaming amenities; and marketing, including the amount, quality, and frequency of promotions offered to guests.

Silver Slipper Casino and Hotel

Silver Slipper is in Mississippi, but is close to the North Shore of Lake Pontchartrain, one of the most affluent and fastest-growing regions in Louisiana. Louisiana law permits 15 riverboat casinos, one land-based casino, four casinos at racetracks, and in certain areas, a limited number of slot machines at qualifying truck stops and off-track betting parlors. The legislation permitting riverboat and truck stop casinos requires a local referendum. At this time, all licenses for riverboat casinos in Louisiana have been granted. Of such casinos, only one is not currently in operation and is not located near our Silver Slipper facility. Mississippi does not have a limitation on the number of casino licenses, but requires casinos to be within approximately 800 feet of the Mississippi River shoreline or the Gulf of Mexico, as defined by state law. There are occasionally proposals to relocate casinos within Louisiana or to develop new casinos in Mississippi, but there are considerable political and economic constraints on such potential competition.

Bronco Billy's Casino / Chamonix Casino Hotel

Bronco Billy's and Chamonix are located in Cripple Creek, Colorado, which is a historical gold mining town located less than one hour from Colorado Springs, on the west side of Pikes Peak. Cripple Creek is one of only three locations in Colorado where commercial gaming is permitted. The other two locations are in cities that adjoin each other and are approximately one hour west of Denver and two hours from Colorado Springs. Downtown Denver and Colorado Springs are approximately 70 miles apart and certain suburbs of each metropolitan area largely merge into the other. Two Native American gaming operations also exist in southwestern Colorado and there are tribal casinos in Oklahoma, but these are much further from Colorado Springs and Denver than Cripple Creek. There are no federally-recognized Native American tribes in the Colorado Front Range, which includes Denver and Colorado Springs. As of December 31, 2024, Bronco Billy's and Chamonix were two of 10 gaming facilities operating in Cripple Creek. Chamonix is significantly larger and higher in quality than any of the existing casinos in Cripple Creek.

Rising Star Casino Resort

Rising Star Casino Resort is located on the banks of the Ohio River in Rising Sun, Indiana, approximately one hour from Cincinnati, Ohio, and within two hours of Indianapolis, Indiana, and Louisville and Lexington, Kentucky. One of three casinos in southeastern Indiana, its closest competitors in Indiana are each approximately 15 miles away, near bridges crossing the Ohio River. There is no bridge at Rising Star, but in September 2018, we commenced a ferry boat service connecting Rising Sun, Indiana, to the populous Northern Kentucky region. Rising Star also competes with a large land-based casino near Louisville; casinos in Ohio (including in downtown Cincinnati) and elsewhere in Indiana; and slot parlors associated with racetracks in Kentucky. A significant slot parlor associated with a racetrack opened in Northern Kentucky in September 2022.

Stockman's Casino

Stockman's Casino is the largest of several casinos in Churchill County, Nevada, which has a population of approximately 26,000 residents. Churchill County is also the home of the Fallon Naval Air Station, the United States Navy's premier air training facility, informally referred to as the "Top Gun" school. While the Navy appears to be expanding its base in Fallon, a reduction of its activities at the base would likely have an adverse effect on Stockman's results of operations. Fallon is approximately 30 minutes east of the large Tesla battery factory and other developments in the Tahoe-Reno Industrial Center. Stockman's also competes with casinos in other rural communities in the area, as well as with casinos in Reno, some of which are significantly larger and offer more amenities.

Grand Lodge Casino

Grand Lodge is located in Incline Village, Nevada, and is one of three casinos located within a five-mile radius in the North Lake Tahoe area. Grand Lodge is the only casino in Incline Village itself, which is a high-end residential and tourism community. Grand Lodge also competes with casinos in South Lake Tahoe and Reno. Additionally, there are numerous Native American casinos in California serving the Northern California market.

American Place

American Place competes against two existing casinos that primarily serve the northern suburbs of Chicago, a tribal casino in Milwaukee, and slot machines in bars (limited to six machines per bar) in many parts of Illinois. American Place is the only full-service casino in Lake County, Illinois, which has a population of approximately 709,000 residents. Including areas neighboring Lake County, we estimate that American Place is the closest casino to more than one million individuals.

Marketing

Our marketing efforts are conducted through various means, including our customer loyalty programs and specialized marketing campaigns, such as our seasonal "Christmas Casino" event at Rising Star Casino Resort. We advertise through various channels, including radio, television, Internet, billboards, newspapers and magazines, direct mail, email and social media. We also maintain websites to inform customers about our properties and utilize social media sites to promote our brands, unique events, and special deals. Our customer loyalty programs include the Slipper Rewards Club, the Bronco Billy's / Chamonix Mile High Rewards Club, the Rising Star VIP Club, the Grand Lodge Players Advantage Club, the Stockman's Winner's Club, and American Place's Legacy Rewards. Under these programs, customers earn points based on their volume of wagering that may be redeemed for various benefits, such as "free play," complimentary dining, and hotel stays.

Our properties do not have coordinated loyalty programs, due to their disparate locations. Instead, our loyalty programs focus on providing each casino's customers the amenities they most prefer in each market.

Intellectual Property

We use a variety of trademarks, patents and copyrights in our operations and believe that we have all the licenses necessary to conduct our continuing operations. We have registered several trademarks with the United States Patent and Trademark Office or otherwise acquired the licenses to use certain trademarks, patents and copyrights that are material to conduct our business.

Employees

As of December 31, 2024, we had 15 full-time corporate employees. We had four executive officers and three additional senior management employees. Our casino properties had 1,670 full-time and 325 part-time employees, as follows:

	December 31, 2024	
Employee Count by Property / Location	**Full-time**	**Part-time**
Silver Slipper Casino and Hotel	424	60
American Place	552	85
Rising Star Casino Resort	208	83
Bronco Billy's / Chamonix Casino Hotel	365	70
Grand Lodge Casino	67	16
Stockman's Casino	54	11
Corporate	15	—
Total Employees	1,685	325

We believe that our relationship with our employees is excellent. None of our employees are currently represented by labor unions.

Available Information

Our principal executive offices are located at Full House Resorts, Inc., 1980 Festival Plaza Drive, Suite 680, Las Vegas, Nevada 89135, and our telephone number is (702) 221-7800. Our website address is www.fullhouseresorts.com. We make available, free of charge, on or through our Internet website, our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Our Internet website and information contained on our Internet website are not part of this Annual Report on Form 10-K and are not incorporated by reference herein.

Item 1A. Risk Factors.

An investment in our securities is subject to risks inherent to our business. We have described below what we currently believe to be the material risks and uncertainties in our business. Before making an investment decision, you should carefully consider the risks and uncertainties described below, together with all of the other information included or incorporated by reference in this Annual Report on Form 10-K.

We also face other risks and uncertainties beyond what is described below. This Annual Report on Form 10-K is qualified in its entirety by these risk factors. If any of the following risks actually occur, our business, financial condition and results of operations could be materially and adversely affected. If this were to happen, the value of securities, including our common stock, could decline significantly. You could lose all or part of your investment.

Risks Related to our Business and Operations

We face significant competition from other gaming and entertainment operations.

The gaming industry is characterized by an increasingly high degree of competition among a large number of participants. Our casinos and contracted sport wagering businesses compete with other forms of gaming, such as casinos, racetracks, state-sponsored lotteries, sweepstakes, charitable gaming, video gaming terminals at bars, restaurants, taverns and truck stops, sports books at sports stadiums, illegal slot machines and skill games, fantasy sports and internet or mobile-based gaming platforms, including online gaming and sports betting. Certain state and other jurisdictions are considering expansion of such forms of gaming. Each of these could divert customers from our casinos and services, and thus materially and adversely affect our business.

In most markets, we compete directly with other casino facilities operating in the immediate and surrounding market areas. In some markets, we face competition from nearby markets in addition to direct competition within our market areas. As competing properties and new markets are opened, our operating results may be negatively impacted. In addition, some of our direct competitors in certain markets may have superior facilities and/or operating conditions. We expect each existing or future market in which we participate to be highly competitive. The competitive position of each of our casino properties is discussed in Part I, Item 1. “Business – Competition.”

In a broader sense, our casinos and sports wagering businesses face competition from all manner of leisure and entertainment activities, including other non-gaming resorts and vacation destinations, shopping, athletic events, television and movies, concerts, and travel.

We may face revenue declines if discretionary consumer spending drops, including due to an economic downturn.

Our revenues are highly dependent upon the volume and spending levels of customers at our properties and, as such, our business has been in the past, and could be in the future, adversely impacted by economic downturns. Decreases in discretionary consumer spending or changes in consumer preferences brought about by factors such as, but not limited to, lackluster recoveries from recessions; increases in interest rates; increases in costs of goods and services due to continued or increased inflationary pressures; pandemics, epidemics, widespread health emergencies, or outbreaks of infectious diseases; high unemployment levels; higher income taxes; low levels of consumer confidence; weakness or uncertainty in the housing market; cultural and demographic changes; the impact of high energy, fuel, food and healthcare costs; fears of war or actual conflicts, such as the Russian invasion of Ukraine, civil unrest, terrorism or violence; and increased stock market volatility may negatively impact our revenues and operating cash flow. This could lead to a reduction in discretionary spending by our guests on entertainment and leisure activities, which could have a material adverse effect on our revenues, cash flow and results of operations. Furthermore, during periods of economic contraction, our revenues may decrease while many of our costs remain fixed and some costs may increase, resulting in decreased earnings.

We cannot assure you that any of our contracted sports betting parties, through the use of our permitted website "skins," will be able to compete effectively, that our contracted sports parties will have the ability and/or willingness to sustain sports betting operations should they experience an extended period of unprofitability, or that we will have the ability to replace existing partners or vendors on similar terms as our existing contractual revenue minimums or operate the skins ourselves.

Three of our seven permitted sports "skins" are currently active. Our contracted sports betting parties, through the use of our permitted website "skins," compete in a rapidly evolving and highly competitive market. The success of their sports betting operations is dependent on a number of factors that are beyond their control, and ours, including the ultimate tax rates and license fees charged by jurisdictions across the United States; their ability to gain market share in a newly developing market; the timeliness and the technological and popular viability of their products; their ability to compete with new entrants in the market; marketing offerings of their competitors; changes in consumer demographics and public tastes and preferences; and the availability and popularity of other forms of entertainment. While our current agreements with our contracted sports betting parties provide us with contractual minimums for revenue upon their launch of operations, we cannot assure you that any of our contracted sports parties will be able to compete effectively or that they will have the ability or willingness to sustain sports betting operations for an extended period of unprofitability. Should any of our contracted sports betting parties cease operations, as has happened in the past, whether due to unprofitability or for other reasons, there can be no assurance that we will be able to replace them on similar terms as our existing agreements or at all, or that we will be able to successfully operate the skins ourselves.

Our Mississippi casino hotel and Illinois casino operations currently generate a significant percentage of our revenues and Adjusted EBITDA. Our ability to meet our operating and debt service requirements is dependent, in part, upon the continued success of those properties.

For the year ended December 31, 2024, we generated 37.5% of our revenues and 60.5% of our Adjusted EBITDA from our casino in Illinois. Similarly, we generated 25.1% of our revenues and 25.0% of our Adjusted EBITDA from our casino resort in Mississippi. Therefore, even after Chamonix has fully ramped up its operations, our results will still be dependent on the regional economies and competitive landscapes at our Illinois and Mississippi properties. Likewise, our ability to meet our operating and debt service requirements is dependent, in part, upon the continued success of these properties.

We derive our revenues and operating income from our properties located in Mississippi, Colorado, Indiana, Nevada and Illinois, and are especially subject to certain risks, including economic and competitive risks, associated with the conditions in those areas and in the states from which we draw patrons.

Because we derive our revenues and operating income from properties concentrated in five states, we are subject to greater risks from regional conditions than a gaming company with operating properties in a greater number of different geographic regions. A decrease in revenues from, or an increase in costs for, one of these locations is likely to have a proportionally greater impact on our business and operations than it would for a gaming company with more geographically diverse operating properties. Risks from regional conditions include the following:

- regional economic conditions;
- regional competitive conditions, including legalization or expansion of gaming in Mississippi, Colorado, Indiana, Nevada, Illinois or in neighboring states;
- allowance of new types of gaming, such as the introduction of online sports wagering or Internet gaming;
- reduced land or air travel due to increasing fuel costs or transportation disruptions; and,
- vulnerability to regional economic downturns in the markets in which we operate.

Some of our operations are located on leased property. If the lessor of the Grand Lodge Casino exercises its buyout or early termination rights or fails to extend the lease, or if we default on this or certain of our other leases, the applicable lessors could terminate the affected leases and we could lose possession of the affected casino.

We lease certain parcels of land at our Silver Slipper Casino and Hotel in Mississippi, certain land and buildings at Bronco Billy's Hotel and Casino in Colorado (much of which is to be utilized for Chamonix), one of the two hotels at our Rising Star Casino Resort in Indiana, and certain parcels at American Place in Illinois. We also lease casino space at our Grand Lodge Casino in Nevada. Unless we have a purchase option under such leases and exercise such option, we will have no interest in the improvements thereon at the expiration of the leases. We have purchase options on substantially all of our leased property, except for our corporate offices, the Grand Lodge Casino, and certain storage facilities. It is either currently more advantageous for us to continue to lease rather than exercise such buyout options, or we have certain restrictions which only allow us to exercise the purchase option during certain future time periods. Under certain circumstances and at the expirations of the underlying leases, we might be forced to exercise our buyout options in order to continue to operate those properties. There is no certainty that the funds could be raised at that time at a reasonable cost, or at all, to exercise some or all of the buyout options. The operating lease at the Grand Lodge Casino, which is set to expire on December 31, 2034, includes certain lessor buyout rights based upon a multiple of EBITDA that, if exercised, could result in the lessor purchasing our leasehold interest and the operating assets on terms that may be less than fair market value or financially unfavorable to us. The lease at Grand Lodge Casino also permits the lessor to terminate the lease early to renovate the premises. If the lessor were to termination the lease early, our results of operations and financial condition could be materially affected.

Since we do not completely control the land, buildings, hotel and space underlying our leased properties, a lessor could take certain actions to disrupt our rights under the long-term leases, which are beyond our control. If the entity owning any leased land, buildings, hotel or space were to disrupt our use either permanently or for a significant period of time, and we were not in a position to exercise our buyout rights at that 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 the lease, then the lessor could terminate the affected lease and we could lose possession of the affected land, buildings, hotel or space and any improvements thereon. The loss of a lease could have a significant adverse effect on our business, financial condition and results of operations and we may then be unable to operate all or portions of the affected facilities, which, in turn, may result in a default under our debt agreements.

A prolonged closure of our casinos would negatively impact our ability to service our debt.

Our casinos are our primary sources of income and operating cash flows that we rely upon to pay all of our obligations and to remain in compliance with debt covenants under any indebtedness we may incur and meet our obligations when due. Because we operate in several different jurisdictions, we are subject to different legal and market conditions in order to remain open. We have no control over and cannot predict the length of any future operating restrictions or future closures of our casinos and hotels. Any required closures may require us to seek to amend our debt agreements, though there is no certainty that we would be successful in such efforts. Additionally, we may be required to seek additional liquidity through the issuance of new debt or equity, or through the sale of certain assets. Our ability to obtain additional financing would depend in part on factors outside of our control.

Adverse weather conditions, road construction, gasoline shortages and other factors affecting our facilities and the areas in which we operate could make it more difficult for potential customers to travel to our properties and deter customers from visiting our properties.

Our continued success depends upon our ability to draw customers from each of the geographic markets in which we operate. Adverse weather conditions or road construction can deter our customers from traveling to our facilities or make it difficult for them to frequent our properties. Moreover, gasoline shortages or fuel price increases could make it more difficult for potential customers to travel to our properties and deter customers from visiting. Our dockside gaming facility in Indiana is also subject to risks, in addition to those associated with land-based casinos, which could disrupt our operations. Although our Indiana casino vessel does not leave its moorings in normal operations, there are risks associated with the mooring of vessels on waterways, including risks of casualty due to river turbulence, flooding, collisions with other vessels and severe weather conditions. Our ferry boat that we operate at Rising Star has similar risks as our Indiana casino vessel, as well as additional risks related to ferry boat operations.

Our results of operations and financial condition could be materially adversely affected by the occurrence of natural disasters, including as a result of climate change, such as hurricanes, floods, wildfires, pandemics, epidemics, widespread health emergencies, or outbreaks of infectious diseases such as the coronavirus pandemic, or other catastrophic events, including war, terrorism and gun violence.

Natural disasters and extreme weather conditions, potentially exacerbated by climate change, such as major hurricanes, tornadoes, typhoons, floods, fires and earthquakes, could adversely affect our business and operating results. Certain of our properties are located in areas that may be subject to extreme weather conditions. Hurricanes are common in the area in which our Mississippi property is located. The severity of such natural disasters is unpredictable. In October 2020, Hurricane Zeta caused the temporary closure of the Silver Slipper and caused approximately $5 million of damage, most of which was covered by insurance. In 2005, prior to the development of the Silver Slipper, Hurricanes Katrina and Rita caused significant damage in the Gulf Coast region. Additionally, our Indiana property is at risk of flooding due to its proximity to the Ohio River. Wildfires are a significant risk in the Colorado and Sierra Nevada regions. Chamonix, Bronco Billy's and Grand Lodge can be adversely affected by nearby forest fires and the impacts therefrom, as well as significant snowfall events. Changes in federal, state, and local legislation and regulation based on concerns about climate change could result in increased regulatory costs, which may include capital expenditures at our existing properties to ensure compliance with any new or updated regulations. This may also adversely affect our operations. There can be no assurance that the potential impacts of climate change and severe weather will not have a material adverse effect on our properties, operations or business.

If a pandemic, epidemic or outbreak of an infectious disease occurs in the United States or on a global scale, our business may be adversely affected. As described elsewhere in these Risk Factors, such events may result in closures of our properties, a period of business disruption, and/or in reduced operations, any of which could materially affect our business, financial condition and results of operations.

Catastrophic events, such as terrorist and war activities in the United States and elsewhere, when they occur, have had a negative effect on travel and leisure expenditures, including lodging, gaming and tourism. Gun violence has also occurred at casinos, including a mass shooting at a casino in Las Vegas in 2017. We cannot accurately predict the extent to which such events may affect us, directly or indirectly, in the future. There also can be no assurance that we will be able to obtain or choose to purchase any insurance coverage with respect to occurrences of terrorist and violent acts and any losses that could result from these acts. If there is a prolonged disruption at our properties due to natural disasters, terrorist attacks or other catastrophic events, our results of operations and financial condition could be materially adversely affected.

Several of our properties, including Silver Slipper, Chamonix, Bronco Billy's and Rising Star, are accessed by our customers via routes that have few alternatives.

The Silver Slipper is located at the end of a dead-end road, with no other access. Chamonix and Bronco Billy's are accessed by most guests via a mountain pass; if that pass is closed for any reason, the alternative is longer. Rising Star's primary access from Cincinnati is via a road alongside the Ohio River; if this road is closed, for example, by flooding, the alternative routes involve a ferry boat or more winding roads through the rolling hills inland from the river. If access to any of these roads is blocked for any significant period, our results of operations and financial condition could be materially affected.

Marine transportation is inherently risky, and insurance may be insufficient to cover losses that may occur to our assets or result from our ferry boat operations.

The operation of our ferry boat is subject to various inherent risks, including:

- catastrophic marine disasters and accidents;
- adverse weather conditions or natural disasters;
- mechanical failure or equipment damage;
- hazardous substance spills; and
- navigation and human errors.

The occurrence of any of these events may result in, among other things, damage to or loss of our ferry boat, damage to other vessels and the environment, loss of revenues, short-term or long-term interruption of ferry boat service, termination of our regulatory permission to operate, fines, penalties or other restrictions on conducting business, damage to our reputation and customer relationships, and death or injury to personnel and passengers. Such occurrences may also result in a significant increase in our operating costs or liability to third parties.

We may incur property and other losses that are not adequately covered by insurance, including adequate levels of Weather Catastrophe Occurrence/Named Windstorm, Flood and Earthquake insurance coverage for our properties.

Although we maintain insurance that our management believes is customary and appropriate for our business, there can be no assurance that insurance will be available at reasonable costs in any given year or adequate to cover all losses and damage to which our business or our assets might be subjected. 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 under-insured. 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. In addition, certain casualty events, such as labor strikes, nuclear events, acts of war, declines in visitation and loss of income due to fear of terrorism or other acts of violence, loss of electrical power due to catastrophic events, rolling blackouts or otherwise, deterioration or corrosion, insect or animal damage, pandemic-related shutdowns and pollution, may not be covered at all under our policies. The occurrence of any of the foregoing could, therefore, expose us to substantial uninsured losses.

There is no certainty that insurance companies will continue to offer insurance at acceptable rates, or at all, in hurricane-prone areas or other areas affected by extreme weather, including the Mississippi Gulf Coast. Our cost of insurance has risen significantly in recent years. We have attempted to ameliorate such increased costs with reduced coverages and higher deductibles, in part creating additional risks. Some insurance companies may significantly limit the amount of coverage they will write in these markets and increase the premiums charged for this coverage. Additionally, uncertainty can occur as to the viability of certain insurance companies. While we believe that the insurance companies from which we have purchased insurance policies will remain solvent, there is no certainty that this will be the case.

We depend on our key personnel and our ability to attract and retain employees.

We are highly dependent on the services of our executive management team and other members of our senior management team. Our ability to attract and retain key personnel is affected by the competitiveness of our compensation packages and the other terms and conditions of employment, our continued ability to compete effectively against other gaming companies, and our growth prospects. The loss of the services of any members of our senior management team could have a material adverse effect on our business, financial condition and results of operations. We have faced increased challenges in attracting and retaining qualified employees, particularly in light of recent labor shortages. If we fail to retain our current employees, it would be difficult and costly to identify, recruit and train replacements needed to continue to conduct and expand our business. There can be no assurance that we will be able to retain and motivate our employees.

Higher wage and benefit costs could adversely affect our business.

While the majority of our employees earn more than the minimum wage in their relative jurisdictions and many receive medical plan benefits from us, changes in federal and state minimum wage laws and other laws relating to employee benefits, including the Patient Protection and Affordable Care Act, have in the past, and could in the future, cause us to incur additional wage and benefits costs. Increased labor costs brought about by changes in either federal or state minimum wage laws, other regulations or prevailing market conditions have recently, and could in the future, further increase our expenses, which could have an adverse impact on our profitability, or decrease the number of employees we are able to employ, which could decrease customer service levels at our gaming facilities and therefore adversely impact revenues.

Rising operating costs at our gaming properties could have a negative impact on our business.

The operating expenses associated with our gaming properties could increase due to, among other reasons, the following factors:

- continued or increased inflationary pressures;
- supply chain issues that are beyond our control;
- changes in federal, state or local tax or regulations, including gaming regulations, gaming taxes, and tariffs on imported goods, could impose additional restrictions or increase our costs;
- aggressive marketing and promotional campaigns by our competitors for an extended period of time could force us to increase our expenditures for marketing and promotional campaigns in order to maintain our existing customer base or attract new customers;
- as our properties age, we may need to increase our expenditures for repairs, maintenance, and to replace equipment necessary to operate our business in amounts greater than what we have spent historically;
- our reliance on slot play revenues and any additional costs imposed on us from slot machine vendors;
- availability and cost of the many products and services we provide our customers, including food, beverages, retail items, entertainment, hotel rooms, spa services and golf;
- availability and costs associated with insurance;
- increases in costs of labor;
- our properties use significant amounts of electricity, natural gas and other forms of energy, and energy price increases may adversely affect our cost structure;
- our properties use significant amounts of water, and a water shortage may adversely affect our operations; and
- at Grand Lodge, we rely on Hyatt Lake Tahoe to provide certain items at reasonable costs, including food, beverages, parking and rooms. Any change in its pricing or the availability of such items may affect our ability to compete.

If our operating expenses increase without any offsetting increase in our revenues, our results of operations would suffer.

We face the risk of fraud and cheating.

Our gaming customers may attempt or commit fraud or cheat in order to increase winnings. Acts of fraud or cheating could involve the use of counterfeit chips or other tactics, possibly in collusion with our employees. Internal acts of cheating could also be conducted by employees directly or through collusion with dealers, surveillance staff, floor managers or other staff. While we carry insurance for employee theft, such insurance may not cover all or any of such losses. Failure to discover such acts or schemes in a timely manner could result in losses in our gaming 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, results of operations and cash flows.

Win rates for our gaming operations depend on a variety of factors, some beyond our control.

The gaming industry is characterized by an element of chance. In addition to the element of chance, win rates are also affected by other factors, including players' skill and experience, the mix of games played, the financial resources of players, the spread of table limits, the volume of bets played and the amount of time played. Our gaming profits are mainly derived from the difference between our casino winnings and the casino winnings of our gaming customers. Since there is an inherent element of chance in the gaming industry, we do not have full control over our winnings or the winnings of our gaming customers. If our winnings do not exceed the winnings of our gaming customers by enough to cover our operating costs, we may record a loss from our gaming operations, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

The concentration and evolution of the slot machine manufacturing industry could impose additional costs on us.

A majority of our revenues are attributable to slot machines and related systems operated by us at our gaming facilities. It is important, for competitive reasons, that we offer popular and up-to-date slot machine games to our customers. A substantial majority of the slot machines sold in the U.S. in recent years were manufactured by only a few companies, and there has been recent consolidation activity within the gaming equipment sector. In recent years, slot machine manufacturers have frequently refused to sell slot machines featuring the most popular games, instead requiring participation lease arrangements. Participation slot machine leasing arrangements typically require the payment of a fixed daily rental or a percentage payment of coin-in or net win. Generally, a participation lease is more expensive over the long term than the cost to purchase a new machine. For competitive reasons, we may be forced to purchase new slot machines or enter into participation lease arrangements that are more expensive than our current costs associated with the continued operation of our existing slot machines. If the newer slot machines do not result in sufficient incremental revenues to offset the increased investment and participation lease costs, it could hurt our profitability.

Our business may be adversely affected by legislation prohibiting tobacco smoking.

Legislation in various forms to ban indoor tobacco smoking has been enacted or introduced in jurisdictions in which we operate. Except for our casinos in Colorado and Illinois, the gaming areas of our properties are not currently subject to tobacco restrictions. If additional restrictions on smoking are enacted in jurisdictions in which we operate, we could experience a decrease in gaming revenue. This is particularly the case if such restrictions are not applicable to all competitive facilities in that gaming market.

We rely on, among other things, trademarks, licenses, confidentiality procedures, and contractual provisions to protect our intellectual property rights and we may be unable to protect or may not be successful in protecting our intellectual property rights.

Our commercial success depends upon our ability to develop brands and to successfully obtain or acquire proprietary or statutory protection for our intellectual property rights and to implement new or improved technologies purchased or licensed from third parties. We rely on, among other things, trademarks, licenses, confidentiality procedures, and contractual provisions to protect our intellectual property rights. While we enter into license, confidentiality, and non-disclosure agreements to attempt to limit access to, and distribution of, proprietary and confidential information, it is possible that:

- some or all of our confidentiality and non-disclosure agreements will not be honored;
- disputes concerning the ownership of intellectual property will arise with our strategic partners, users or others;
- unauthorized disclosure or use of our intellectual property, including know-how or trade secrets, will occur;
- we will be unable to successfully enforce our trademark or copyright rights; or
- contractual provisions may not be enforceable.

There can be no assurance that we will be successful in protecting our intellectual property rights or that we will become aware of third-party infringements that might be occurring. Inability to protect our intellectual property rights could have a material adverse effect on our prospects, business, financial condition or results of operations.

Our commercial success depends upon us avoiding the infringement of intellectual property rights owned by others and any such infringements, including those that are inadvertent, may have a material adverse effect on our business.

The industries in which we compete have many participants that own, or claim to own, intellectual property, including participants that own intellectual property similar to our own, and proprietary rights for technologies similar to those used or licensed by us. Some of this intellectual property may provide very broad protection to the third-party owners thereof. Patents in particular can be issued very rapidly and there is often a great deal of secrecy surrounding pending patent applications. We cannot determine with certainty whether any existing third-party intellectual property or the issuance of any new third-party intellectual property would require our partners or suppliers to alter their technologies or services, pay for licenses, challenge the validity or enforceability of the intellectual property, or cease certain activities. Third parties may assert intellectual property infringement claims against us and against our partners and/or suppliers. We may be subject to these types of claims either directly or indirectly through indemnities assuming liability for these claims that we may provide to certain partners or suppliers. There can be no assurance that our attempts to negotiate favorable intellectual property indemnities in favor of us with our partners or suppliers for infringement of third-party intellectual property rights will be successful or that a partner's or supplier's indemnity will cover all damages and losses suffered by us and our partners and other suppliers due to infringing products, or that we can secure a license, modification or replacement of a partner's or supplier's products with non-infringing products that may otherwise mitigate such damages and losses.

Some of our competitors have, or are affiliated with companies that have, substantially greater resources than us, and these competitors may be able to sustain the costs of complex intellectual property infringement litigation to a greater degree and for longer periods of time than us. Regardless of whether third-party claims of infringement against us have any merit, these claims could:

- adversely affect our relationships with our customers;
- be time-consuming to evaluate and defend;
- result in costly litigation;
- result in negative publicity for us;
- divert our management's attention and resources;
- cause product and software delivery delays or stoppages;
- subject us to significant liabilities;
- require us to enter into costly royalty or licensing agreements;
- require us to develop possible workaround solutions that may be costly and disruptive to implement; or
- require us to cease certain activities or to cease providing services in certain markets.

In addition to being liable for potentially substantial damages relating to intellectual property following an infringement action against us, we may be prohibited from commercializing certain technologies, or products or services unless we obtain a license from the holder of the applicable intellectual property rights. There can be no assurance that we will be able to obtain any such license or acquire intellectual property on commercially reasonable terms, or at all. If we do not obtain such a license, our prospects, business, operating results and financial condition could be materially adversely affected and we could be required to cease related business operations in some markets and restructure our business to focus on continuing operations in other markets.

We are subject to risks related to corporate social responsibility and reputation.

Many factors influence our reputation and the value of our brands, including the perception held by our customers, business partners, other key stakeholders and the communities in which we do business. Our business faces increasing scrutiny related to environmental, social and governance activities and risk of damage to our reputation and the value of our brands if we fail to act responsibly in a number of areas, such as diversity and inclusion, environmental stewardship, climate change, workplace conduct, human rights, philanthropy and support for local communities. Any harm to our reputation could impact employee engagement and retention and the willingness of customers and our partners to do business with us, which could have a material adverse effect on our business, results of operations and cash flows.

Risks Related to Development and Growth Opportunities

We are engaged from time to time in one or more construction and development projects, and many factors could prevent us from completing them as planned.

We recently completed the phased opening at Chamonix in Cripple Creek, Colorado, adjoining and connected to our existing Bronco Billy's casino. We have begun the design work for the construction of the permanent American Place facility in Waukegan, Illinois, located adjacent to its current temporary facility.

Construction of these types of projects have certain inherent risks, including the risks of fire, structural collapse, human error and electrical, mechanical and plumbing malfunction. Our development and expansion projects are exposed to significant risks, including:

- shortage of materials, including due to supply chain issues that are beyond our control;
- shortage of skilled labor or work stoppages;
- unforeseen construction scheduling, engineering, excavation, environmental or geological problems;
- increases in the cost of steel and other raw materials for construction, driven by inflation, U.S. tariffs on imports, demand, higher labor and construction costs and other factors, may cause price increases beyond those anticipated in the budgets for our development projects;
- natural disasters, hurricanes, weather interference, changes in river levels, floods, fires, earthquakes, the impacts of pandemics, or other casualty losses or delays;
- unanticipated cost increases or delays in completing the project;
- delays in obtaining, or inability to obtain or maintain, necessary licenses or permits;
- lack of sufficient funds, or delays in the availability of, financing;
- changes to plans or specifications;
- performance by contractors and subcontractors;
- disputes with contractors;
- mechanic's liens on real property collateral that may have priority over the liens securing our indebtedness;
- personal injuries to workers and other persons;
- structural heights and the use of cranes;
- disruption of our operations caused by diversion of management's attention to new development projects and construction at our existing properties;
- potential remediation of environmental contamination at our proposed construction sites, which may prove more difficult or expensive than anticipated in our construction budgets;
- failure to obtain and maintain necessary gaming regulatory approvals and licenses, or failure to obtain such approvals and licenses on a timely basis;
- requirements or government-established "goals" concerning union labor or requiring that a portion of the project expenditures be through companies controlled by specific ethnic or gender groups, goals that may not be obtainable, or may only be obtainable at additional project cost; and
- other unanticipated circumstances or cost increases.

The occurrence of any of the foregoing could increase the total costs of a project, or delay or prevent its construction, development, expansion or opening. Escalating construction costs may cause us to modify the design and scope of projects from those initially contemplated or cause the budgets for those projects to be increased. We generally carry insurance to cover certain liabilities related to construction, but not all risks are covered, and it is uncertain whether such insurance will provide sufficient payment in a timely fashion even for those risks that are insured and material to us.

The construction costs for our growth projects may exceed budgeted amounts plus contingencies. This may result in insufficient funds to complete these projects or the need to raise additional capital.

Delays in the completion of the plans and specifications for our growth projects, including the permanent American Place facility, could delay completion of the projects. In addition, completion of the plans and specifications while construction is in progress could cause inefficiencies, and certain items may need to be modified or replaced after they have been purchased, constructed or installed in order to conform to building code requirements or subsequently-developed plans and specifications. We can give no assurance that changes in the scope of these projects will not increase the cost of the projects or extend their completion dates. We establish budgets for the projects based, in part, on our estimate of the cost of various construction goods and services for parts of the projects that, in some cases, are not yet fully designed. If the actual cost with respect to these allowance items exceeds the estimated amount, we will be responsible for the payment of those excess amounts out of the cash flow from our other operations and from cash balances and other financial resources. Our cash flow, cash reserves and other financial resources may not be adequate at any given time to address balancing of the construction budgets if there are increased costs. If our contingency, cash flow from operations and anticipated excess liquidity are insufficient to cover any shortfall, we may not have sufficient funds to complete the projects without seeking additional capital or at all.

There is no assurance that any growth projects will not be subject to additional regulatory restrictions, delays, or challenges.

We are still developing our plans related to the permanent facility for American Place. Such plans will be subject to regulatory approval. While Illinois regulations allow us to operate the temporary American Place facility until August 2027, the design and construction of the permanent American Place facility may require several years and may not be completed within this timeframe. We intend to avoid having an extended period of time between the closing of the temporary and the opening of the permanent American Place facilities, as it could be detrimental to our business, but there is no certainty that this can be achieved. Completion of the permanent American Place facility could also be delayed by weather, labor shortages, supply chain issues or other construction delays. There is no assurance that construction projects such as the permanent American Place facility will not be subject to additional restrictions, delays, or challenges.

There is no assurance that our growth projects will be successful.

In addition to the construction and regulatory risks associated with the development of our growth projects, including Chamonix and American Place, we cannot assure you that the level of consumer demand for these projects will meet our expectations. The operating results of these projects may be materially different than expected due to, among other factors, consumer spending and preferences in the geographic areas, competition from other markets, or other developments that may be beyond our control. In addition, these projects may be more sensitive than anticipated by management to certain risks, including risks associated with downturns in the economy. Further, these projects may not generate cash flows on our anticipated timeline. We may not be able to successfully implement our growth strategy with respect to these projects, capital investments, and acquisitions. There is no assurance that these projects will result in a more successful business operation, or that these projects will increase clientele or revenues. With respect to Chamonix, there is no assurance that a more modern expansion will attract new visitors to a city with historic architecture. The occurrence of any of these issues could adversely affect our prospects, financial condition and results of operations.

We face a number of challenges prior to opening new or upgraded facilities.

No assurance can be given that, when we endeavor to open new or upgraded facilities, the expected timetables for opening such facilities will be met in light of the uncertainties inherent in the development of the regulatory framework, construction, the licensing process, legislative action and litigation. Delays in opening new or upgraded facilities could lead to increased costs and delays in receiving anticipated revenues with respect to such facilities and could have a material adverse effect on our business, financial condition and results of operations.

We may face disruption and other difficulties in integrating and managing facilities we have recently developed or acquired, or may develop or acquire in the future.

We may face certain challenges as we integrate the operational and administrative systems of recently developed or acquired facilities into our business. As a result, the realization of anticipated benefits may be delayed or substantially reduced. Events outside of our control, including changes in state and federal regulations and laws, as well as economic trends, could also adversely affect our ability to realize the anticipated benefits from the acquisition or development.

We expect to continue pursuing expansion opportunities. We regularly evaluate opportunities for acquisition and development of new properties. We could face significant challenges in managing and integrating our expanded or combined operations and any other properties we may develop or acquire, particularly in new competitive markets. The integration of properties we may develop or acquire will require the dedication of management resources that may temporarily divert attention from our day-to-day business. The process of integrating properties that we may acquire could also interrupt the activities of those businesses, which could have a material adverse effect on our business, financial condition and results of operations. In addition, the development of new properties may involve construction, local opposition, regulatory, legal and competitive risks, as well as the risks attendant to partnership deals on these development opportunities. In projects where we team up with a joint venture partner, if we cannot reach agreement with such partners, or our relationships otherwise deteriorate, we could face significant increased costs and delays. Local opposition can delay or increase the anticipated cost of a project. Finally, given the competitive nature of these types of limited license opportunities, litigation is possible.

Management of new properties, especially in new geographic areas, may require that we increase our management resources. We cannot assure you that we will be able to manage any new or acquired operations effectively or realize any of the anticipated benefits of our acquisitions. We also cannot assure you that, if acquisitions are completed, the acquired businesses will generate returns consistent with our expectations. Our ability to achieve our objectives in connection with any acquisition we may consummate may be highly dependent on, among other things, our ability to retain the senior-level property management teams of such acquisition candidates. If, for any reason, we are unable to retain these management teams following such acquisitions or if we fail to attract new capable executives, our operations after consummation of such acquisitions could be materially adversely affected. If we make new acquisitions or new investments, we may face additional risks related to our business, results of operations, financial condition, liquidity, ability to satisfy financial covenants and comply with other restrictive covenants under our indenture, and ability to pay or refinance our indebtedness.

The occurrence of some or all of the above-described events could have a material adverse effect on our business, financial condition and results of operations.

The construction of the permanent American Place facility may inconvenience customers and disrupt business activity at our adjacent temporary casino facility.

Although we will attempt to minimize operational disruptions, construction of the permanent American Place facility may disrupt business at the adjacent temporary casino facility. The temporary American Place facility was designed so that construction of its permanent facility on adjoining land should not materially disrupt business activity, but there is no certainty that this will be the case. Disruptions in operations at our temporary facility could have an adverse effect on our business, financial condition and results of operations.

The permanent American Place facility, additional growth projects or potential enhancements at our properties may require us to raise additional capital.

We may need to access financial institution sources, capital markets, private sources or otherwise obtain additional funds to fund the permanent American Place facility. Additional capital may also be needed to fund other growth projects or potential enhancements we may undertake at our other properties. We do not know when, or if, financial institution sources, capital markets or private sources will permit us to raise additional funds for such phases and enhancements in a timely manner, on acceptable terms, or at all. Inability to access financial institution sources, capital markets or private sources, or the availability of capital only on less-than-favorable terms, may cause or force us to delay, reduce, or cancel our growth and enhancement projects.

Our ability to obtain additional funding may also be limited by our financial condition, results of operations or other factors, such as our credit rating or outlook at the time of any such financing or offering and the covenants in our existing debt agreements, as well as by general economic conditions and contingencies and uncertainties that are beyond our control. As we seek additional financing, we will be subject to the risks of rising interest rates and other factors affecting the financial markets.

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

Our properties have an ongoing need for renovations and other capital improvements to remain competitive, including replacement, from time to time, of furniture, fixtures and equipment, including slot machines. We may also need to make capital expenditures at our casino properties to comply with applicable laws and regulations.

Renovations and other capital improvements at our properties may require significant capital expenditures. In addition, renovations and capital improvements sometimes generate little or no cash flow until the projects are completed. We may not be able to fund such projects solely from existing resources and 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 could 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, if needed, or that we will be able to obtain such financing on favorable terms. A failure to renovate or properly maintain our properties may put us at a competitive disadvantage.

We may face risks related to our ability to receive regulatory approvals required to complete certain acquisitions, mergers, joint ventures, and other developments, as well as other potential delays in completing certain transactions.

Our growth may be fueled, in part, by the acquisition of existing gaming and development properties. In addition to standard closing conditions, our material transactions, including but not limited to acquisitions, are often conditioned on the receipt of regulatory approvals and other hurdles that create uncertainty and could increase costs. Such delays could significantly reduce the benefits to us of such transactions and could have a material adverse effect on our business, financial condition and results of operations.

If we fail to obtain necessary government approvals in a timely manner, or at all, it can adversely impact our various expansion, development, investment and renovation projects.

The scope of the approvals required for expansion, development, investment or renovation projects can be extensive and may include regulatory approvals, state and local land-use permits, and building and zoning permits. Unexpected changes or concessions required by local, state or federal regulatory authorities could involve significant additional costs and delay the scheduled openings of the facilities. We may not obtain the necessary permits, licenses, entitlements and approvals within the anticipated time frames, or at all.

Insufficient or lower-than-expected results generated from our new developments and acquired properties may negatively affect our operating results and financial condition.

We cannot assure you that the revenues generated from our new developments and acquired properties will be sufficient to pay related expenses if and when these developments are completed; or, even if revenues are sufficient to pay expenses, that the new developments and acquired properties will yield an adequate or expected return, or any return, on our significant investments. As previously discussed, the development of new properties may involve construction, regulatory, legal and competitive risks or local opposition, any of which can significantly increase the anticipated cost of a project. Our projects, if completed, may not achieve the level of guest acceptance and patronage we anticipate. For this or other reasons, such projects may take significantly longer than we expect to generate returns, if any. If our new developments or acquired properties do not achieve the financial results anticipated, it could adversely affect our revenues and results of operations. Moreover, lower-than-expected results from the opening of a new facility may make it more difficult to raise capital.

Risks Related to our Indebtedness

Our significant indebtedness could adversely affect our financial health and prevent us from fulfilling our obligations.

As of December 31, 2024, the total principal amount of our indebtedness, excluding unamortized debt issuance costs, was $450.0 million, consisting entirely of the Notes. Our Credit Facility remains outstanding for $27.0 million as of this report date. The Notes and the Credit Facility are summarized in Note 7 to the consolidated financial statements set forth in Part II, Item 8. “Financial Statements and Supplementary Data.” We also have a finance lease at our Rising Star Casino Resort with an outstanding balance of $1.7 million.

Our debt could, among other things:

- require us to dedicate a large 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, which may adversely affect our cost to borrow funds 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.

The indenture governing the Notes and the Credit Facility impose restrictive covenants and limitations that could significantly affect our ability to operate our business and lead to events of default if we do not comply with the covenants.

The indenture governing the Notes and the Credit Facility impose restrictive covenants on us and our subsidiaries that may limit our current and future operations. The restrictions that are imposed include, among other obligations, limitations on our and our subsidiaries' ability to:

- incur additional debt and guarantee indebtedness;
- make payments on subordinated obligations;
- make dividends or distributions and repurchase stock;
- make investments;
- enter into transactions with affiliates;
- grant liens on our property to secure debt;
- sell assets or enter into mergers or consolidations;
- sell equity interest in our subsidiaries;
- make capital expenditures; or
- amend or modify our subordinate indebtedness without obtaining certain consents from the holders of our indebtedness.

These restrictions could adversely affect our ability to:

- obtain additional financing for our operations;
- make needed capital expenditures;
- make strategic acquisitions or investments or enter into alliances;
- withstand a continued and sustained downturn in our business or the economy in general;
- engage in business activities, including future opportunities, that may be in our interest; and
- plan for or react to market conditions or otherwise execute our business strategies.

Our ability to comply with the covenants under the indenture, the Credit Facility, or in any instrument governing future indebtedness, may be affected by general economic conditions, industry conditions, and other events beyond our control, including delays in the completion of new projects under construction. As a result, there can be no assurance that we will be able to comply with these covenants. Our failure to comply with the covenants contained under the indenture, the Credit Facility, or in any instrument governing future indebtedness, including failure to comply as a result of events beyond our control, could result in an event of default. If there were an event of default and it is not waived by the requisite parties (at their option), the agent, the trustee or holders, as applicable, could cause all the outstanding obligations under the Notes, the Credit Facility or other future indebtedness to be due and payable, subject to applicable grace periods, which could materially and adversely affect our operating results and our financial condition. Additionally, this could trigger cross-defaults under other debt obligations. We cannot assure you that our assets or cash flow would be sufficient to repay our obligations under the Notes, the Credit Facility or any future outstanding debt obligations, if accelerated upon an event of default, or that we would be able to borrow sufficient funds to refinance the Notes, the Credit Facility or any future debt instruments.

To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control.

Our ability to make payments on and to refinance our indebtedness, and to fund planned capital expenditures and expansion efforts, will depend upon our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors.

We cannot assure you that our business will generate sufficient cash flows from operations or asset sales, our anticipated growth in operations, including through our expansion efforts, will be realized, or that future borrowings will be available to us in amounts sufficient to enable us to repay the Notes, and any amounts outstanding under the Credit Facility and to fund our other liquidity needs. In addition, as we undertake substantial new developments or facility renovations or if we consummate significant acquisitions in the future, our cash requirements may increase significantly and we may need to obtain additional equity or debt financing or joint venture partners. Any increase in our level of indebtedness could impose additional cash requirements on us in order to support interest payments. If we incur additional debt, the related risks that we now face could intensify.

If we are not able to generate sufficient cash flows from operations to repay the Notes or any amounts outstanding under the Credit Facility, as needed, or to obtain adequate additional financing, we may have to adopt one or more alternatives, such as reducing or delaying planned expenses and capital expenditures, selling assets, or issuing equity.

We may not be able to generate sufficient cash flows to service all of our indebtedness and fund our operating expenses, working capital needs and capital expenditures, and we may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our ability to make scheduled payments on or refinance our indebtedness will depend upon our future operating performance and our ability to generate cash flow in the future, 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, or that future borrowings will be available to us in an amount sufficient to enable us to pay our indebtedness or fund our other liquidity or operational needs. If our cash flows and capital resources are insufficient to fund our debt service obligations, we could face substantial liquidity problems and could be forced to reduce or delay investment and capital expenditures, dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance our indebtedness. Such alternative measures, if necessary, may not be available on commercially reasonable terms or at all and, even if successful, such alternative actions may not allow us to meet our scheduled debt service obligations. The indenture governing the Notes and the Credit Facility restrict our ability to dispose of assets and use the proceeds from asset dispositions, and may also restrict our ability to raise debt or equity capital to repay or service our indebtedness. 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 and foreclose against the collateral 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 and could result in you losing your investment in us.

We depend on our subsidiaries for certain dividends, distributions and repayment of our indebtedness, including the Notes and any borrowings under the Credit Facility.

The source of much of our cash flow to pay our obligations under the Notes and any borrowings under the Credit Facility and to make payments on any other indebtedness will be dividends and distributions from our subsidiaries. If our subsidiaries are unable to make dividend payments or distributions to us and sufficient cash or liquidity is not otherwise available, we may not be able to pay interest or principal under the Notes or borrowings under the Credit Facility. Unless they guarantee the Notes and the Credit Facility, our subsidiaries (a) will not have any obligation to pay amounts due under the Notes and the Credit Facility or to make funds available for that purpose and (b) may not be able to, or be permitted to, make distributions to enable us to make payments in respect of our indebtedness, including the Notes and the Credit Facility. Each of our subsidiaries is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. In addition, while the indentures governing the Notes and the Credit Facility limit the ability of our restricted subsidiaries to restrict the payment of dividends or make other intercompany payments to us, these limitations will be subject to certain qualifications and exceptions. In the event that we do not receive distributions from our subsidiaries, we may be unable to make required principal and interest payments on our indebtedness, including the Notes and the Credit Facility.

Our ability to obtain additional financing on commercially reasonable terms may be limited.

Although we believe that our cash, cash equivalents, working capital, future cash from operations, and the capital obtained from the Notes and available borrowing under the Credit Facility will provide adequate resources to fund ongoing operating requirements, we may need to refinance or seek additional financing to compete effectively or grow our business, including to complete the permanent American Place facility. These financing strategies may not be completed on satisfactory terms, if at all. In addition, certain financing transactions require approval of gaming regulatory authorities. Some requirements may prevent or delay us from obtaining necessary capital. We cannot assure you that we will be able to obtain any additional financing, refinance our existing debt, or fund our growth efforts. If we are unable to obtain financing on commercially reasonable terms, it could:

- reduce funds available to us for purposes such as working capital, capital expenditures, strategic acquisitions and other general corporate purposes;
- restrict our ability to capitalize on business opportunities;
- increase our vulnerability to economic downturns and competitive pressures in the markets in which we operate; and
- place us at a competitive disadvantage.

The obligations under the Notes and the Credit Facility are collateralized by a security interest in substantially all of our assets. If we default on those obligations, the holders of the Notes and lenders under the Credit Facility could foreclose on our assets. In addition, the existence of these security interests may adversely affect our financial flexibility.

The obligations under the Notes and any borrowings under the Credit Facility are secured by a security interest in substantially all of our assets. As a result, if we default under our obligations under the Notes or the Credit Facility, the holders of the Notes and the lenders under the Credit Facility, acting through their appointed agent, could foreclose on their security interests and liquidate some or all of these assets, which could harm our business, financial condition and results of operations and could require us to reduce or cease operations. In addition, the pledge of these assets and other restrictions may limit our flexibility in raising capital for other purposes. Because substantially all of our assets are pledged under these financing arrangements, our ability to incur additional secured indebtedness or to sell or dispose of assets to raise capital may be impaired, which could have an adverse effect on our financial flexibility.

We and our subsidiaries may still be able to incur substantially more debt, including subordinated debt, which could further exacerbate the risks described above.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future. The indentures governing the Notes and the Credit Facility do not fully prohibit us or our subsidiaries from doing so. If new debt is added to our or our subsidiaries' current debt levels, the related risks that we or they now face could intensify.

Risks Related to our Legal and Regulatory Environment

We face extensive regulation from gaming and other regulatory authorities and the cost of compliance or failure to comply with such regulations may adversely affect our business and results of operations.

Licensing. The gaming industry is highly regulated, and we must maintain our licenses and pay gaming taxes to continue our operations. The ownership, management and operation of gaming facilities are subject to extensive state and local regulation in the jurisdiction in which it is located. These laws, rules and regulations generally concern the responsibility, financial stability and character of the owners, managers, and persons with financial interest in the gaming operations. The regulatory authorities in jurisdictions where we operate have broad discretion. They may, for any reason set forth in the applicable legislation, rules and regulations, limit, condition, suspend, fail to renew or revoke a license or registration to conduct gaming operations. Furthermore, because we are subject to regulation in each jurisdiction in which we operate, and because regulatory agencies within each jurisdiction review our compliance with gaming laws in other jurisdictions, it is possible that gaming compliance issues in one jurisdiction may lead to reviews and compliance issues in other jurisdictions.

Taxation and fees. We believe that the prospect of significant tax revenue is one of the primary reasons that jurisdictions permit legalized gaming. As a result, gaming companies are typically subject to significant revenue-based taxes and fees in addition to normal federal, state, and local income and employment taxes. Such taxes and fees are subject to increase at any time. 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. In addition, any downturn in economic conditions 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 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 and results of operations.

Compliance with other laws. In addition to gaming regulations, we are also subject to various federal, state, and local laws and regulations affecting businesses in general. These laws and regulations include, but are not limited to, environmental matters, employment, currency transactions, taxation, construction, zoning, land-use laws, marketing and advertising, smoking, and regulations governing the serving of alcoholic beverages.

The Bank Secrecy Act, enforced by the Financial Crimes Enforcement Network ("FinCEN") of the U.S. Treasury Department, requires us to report currency transactions in excess of $10,000, including groupings of related transactions, occurring within a gaming day, including identification of the guest by name and social security number, to the Internal Revenue Service ("IRS"). This regulation also requires us to report certain suspicious activity, including any transaction that exceeds $5,000 that we know, suspect or have reason to believe involves funds from illegal activity or is designed to evade federal regulations or reporting requirements. Periodic audits by the IRS and our internal audit function assess compliance with the Bank Secrecy Act, and substantial penalties can be imposed against us if we fail to comply with this regulation. In recent years, the U.S. Treasury Department has increased its focus on Bank Secrecy Act compliance throughout the gaming industry. Recent public comments by FinCEN suggest that casinos should make efforts to obtain information on each customer's sources of income. This could impact our ability to attract and retain casino guests.

We also deal with significant amounts of cash in our operations and are subject to various reporting and anti-money laundering regulations. Any violations of anti-money laundering laws or regulations by any of our properties could have an adverse effect on our financial condition, results of operations or cash flows. Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted.

Our riverboat and ferry boat operations at Rising Star must comply with certain federal and state laws and regulations with respect to boat design, on-board facilities, equipment, personnel and safety. In addition, we are required to have third parties periodically inspect and certify our boats for safety, stability and single compartment flooding integrity. All of our casinos also must meet local fire safety standards. We could incur additional costs if our gaming facilities are not in compliance with one or more of these regulations.

Changes in legislation and regulation of our business could have an adverse effect on our financial condition, results of operations and cash flows.

Regulations governing the conduct of gaming activities and the obligations of gaming companies in any jurisdiction in which we have or in the future may have gaming operations are subject to change and could impose additional operating, financial, competitive or other burdens on the way we conduct our business.

In particular, certain areas of law governing new gaming activities, such as the federal and state law applicable to sports betting, are new or developing in light of emerging technologies. New and developing areas of law may be subject to the interpretation of the government agencies tasked with enforcing them. In some circumstances, a government agency may interpret a statute or regulation in one manner and then reconsider its interpretation at a later date. No assurance can be provided that government agencies will interpret or enforce new or developing areas of law consistently, predictably, or favorably. Moreover, legislation to prohibit, limit or add burdens to our business may be introduced in the future in states where gaming has been legalized. In addition, from time to time, legislators and special interest groups have proposed legislation that would expand, restrict or prevent gaming operations or which may otherwise adversely impact our operations in the jurisdictions in which we operate. Any expansion of gaming or restriction on or prohibition of our gaming operations or enactment of other adverse regulatory changes could have a material adverse effect on our operating results.

Stockholders may be required to dispose of their shares of our common stock if they are found unsuitable by gaming authorities.

While gaming authorities generally focus on stockholders with more than 5% and often 10% of a company's shares, such authorities generally can require that *any* beneficial owner of our common stock and other 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 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 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 certificate of incorporation also provides us with the right to repurchase shares of our common stock from certain beneficial owners declared by gaming regulators to be unsuitable holders of our equity securities. The price we may pay to any such beneficial owner may be below the price such beneficial owner would otherwise accept for his or her shares of our common stock.

We are subject to environmental laws and potential exposure to environmental liabilities.

We are subject to various federal, state and local environmental laws and regulations that govern our operations, including emissions and discharges into the environment, and the handling and disposal of hazardous and non-hazardous substances and wastes. Failure to comply with such laws and regulations could result in costs for corrective action, penalties or the imposition of other liabilities or restrictions. We also are subject to laws and regulations that impose liability and clean-up responsibility for releases of hazardous substances into the environment. Under certain of these laws and regulations, a current or previous owner or operator of property may be liable for the costs of remediating contaminated soil or groundwater on or from its property, without regard to whether the owner or operator knew of, or caused, the contamination, 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. There can be no assurances that these matters or other matters arising under environmental laws will not have a material adverse effect on our business, financial condition, or results of operations in the future.

We are subject to litigation which, if adversely determined, could cause us to incur substantial losses.

From time to time during the normal course of operating our businesses, we are subject to various litigation claims and legal disputes. Some of the litigation claims may not be covered under our insurance policies, or our insurance carriers may seek to deny coverage. As a result, we might also be required to incur significant legal fees, which may have a material adverse effect on our financial position. In addition, because we cannot accurately predict the outcome of any action, it is possible that, as a result of current and/or future litigation, we will be subject to adverse judgments or settlements that could significantly reduce our earnings or result in losses.

Our ferry boat service is highly regulated, which can adversely affect our operations.

Our ferry boat service at the Rising Star Casino Resort is subject to stringent local, state and federal laws and regulations governing, among other things, the health and safety of our passengers and personnel, and the operation and insurance of our vessel. Many aspects of our ferry boat service are subject to regulation by a wide array of agencies, including the U.S. Coast Guard and other federal authorities, the State of Indiana and Commonwealth of Kentucky authorities, as well as local authorities in Ohio County, Indiana and Boone County, Kentucky. In addition, we are required by various governmental and quasi-governmental agencies to obtain, maintain and periodically renew certain permits, licenses and certificates with respect to our ferry boat service. Compliance with or the enforcement of applicable laws and regulations can be costly. In addition, failure to comply with applicable laws and regulations may result in administrative and civil penalties, criminal sanctions or, in certain cases, the suspension or termination of our ferry boat service.

Risks Related to Technology

Our gaming operations rely heavily on technology services and an uninterrupted supply of electrical power. If we experience damage or service interruptions, we may have to cease some or all of our operations, which will result in a decrease in revenue.

Our gaming operations rely heavily on technology services and an uninterrupted supply of electrical power. Our security system and all of our slot machines are controlled by computers and reliant on electrical power to operate. A loss of electrical power or a failure of the technology services needed to run the computers could make us unable to run all or parts of our gaming operations. Any unscheduled interruption in our technology services or interruption in the supply of electrical power is likely to result in an immediate, and possibly substantial, loss of revenue due to a shutdown of our gaming operations. Although we have designed our systems around industry-standard designs to reduce downtime in the event of outages or catastrophic occurrences, they remain vulnerable to damage or interruption from floods, fires, power loss, telecommunication failures, terrorist attacks, computer viruses, computer denial-of-service attacks and similar events. Additionally, substantial increases in the cost of electricity and natural gas could negatively affect our results of operations.

Our information technology and other systems are subject to cybersecurity risk, misappropriation of customer information and other breaches of information security.

We rely extensively on our computer systems to process customer transactions, manage customer data, manage employee data and communicate with third-party vendors and other third parties, and we may also access the Internet to use our computer systems. Our operations require that we collect and store customer data, including credit card numbers and other personal information, for various business purposes, including marketing and promotional purposes. We also collect and store personal information about our employees. Breaches of our security measures or information technology systems or the accidental loss, inadvertent disclosure or unapproved dissemination of proprietary information or sensitive personal information or confidential data about us, or our customers, or our employees including the potential loss or disclosure of such information as a result of hacking or other cyber-attack, computer virus, fraudulent use by customers, employees or employees of third party vendors, trickery or other forms of deception or unauthorized use, or due to system failure, could expose us, our customers, our employees or other individuals affected to a risk of loss or misuse of this information, result in litigation and potential liability for us, damage our reputation or brand names or otherwise harm our business. Additionally, disruptions in the availability of our computer systems, through cyber-attacks or otherwise, could impact our ability to service our customers and adversely affect our sales and the results of operations. We rely on proprietary and commercially available systems, software, tools and monitoring to provide security for processing, transmission and storage of customer information, such as payment card, employee information and other confidential or proprietary information. Our data security measures are reviewed and evaluated regularly; however, they might not protect us against increasingly sophisticated and aggressive threats, and disruptions in our computer systems can occur notwithstanding the data security measures and disaster recovery plans that we have in place. The cost and operational consequences of implementing further data security measures could be significant and there is no certainty that such measures, if purchased, could thwart all threats. Additionally, while we maintain cyber risk insurance to assist in the cost of recovery from a significant cyber event, such coverage may not be sufficient.

Additionally, the collection of customer and employee personal information imposes various privacy compliance related obligations on our business and increases the risks associated with a breach or failure of the integrity of our information technology systems. The collection and use of personal information are governed by privacy laws and regulations enacted in the United States and other jurisdictions around the world. Privacy regulations continue to evolve and on occasion may be inconsistent from one jurisdiction to another. Any loss, disclosure of, misappropriation of, or access to customers', employees' or other personal, proprietary information or any other breach of our network or information security could result in extensive legal proceedings or legal claims, including regulatory investigations and actions, or liability for failure to comply with state or federal privacy and information security laws, including for failure to protect personal information or for misusing personal information. These items could disrupt our operations, cause extensive damage to our reputation, and expose us to legal claims from customers, employees, financial institutions, regulators, payment card associations, and other persons, any of which could adversely affect our business, results of operations and financial condition.

There are also laws and regulations governing the collection and use of biometric information, such as fingerprints and facial scans. For example, the Illinois Biometric Information Privacy Act, 740 ILCS 14/1 et seq. ("BIPA") applies to the collection and use of "biometric identifiers" and "biometric information" which include fingerprints and facial scans. BIPA requires written notice and consent before a private entity (like us and our subsidiaries) may collect or disseminate biometric information. It further provides that any private entity in possession of biometric information must establish, publish and comply with a policy regarding its schedule for destroying biometric information and follow reasonable security measures to protect such information. Individuals are afforded a private right of action under BIPA and may recover statutory damages equal to the greater of $1,000 (or $5,000 for reckless violations) or actual damages and reasonable attorneys' fees and costs for each unlawful collection of biometric information, which the Illinois Supreme Court has interpreted to include not only the initial collection of information to create a biometric template, but also, each subsequent scan of biometric information to identify an individual. Many Illinois businesses, including casinos, have been accused of using biometric-enabled devices, including hand or fingerprint scanners for timekeeping or security purposes, and facial recognition technology for security purposes, without the required policy, notice or consent. Any biometric-enabled devices or technologies used by us in Illinois must comply with BIPA's notice, consent, policy and security requirements to avoid potential liability. In addition to BIPA, a number of other proposals exist for new federal and state privacy legislation that, if passed, could increase our potential liability, increase our compliance costs and materially adversely affect our business.

Compliance with applicable privacy laws and regulations may increase our operating costs and/or adversely impact our ability to market our products, properties and services to our customers. In addition, non-compliance with applicable privacy laws and regulations by us (or in some circumstances non-compliance by third party service providers engaged by us) may also result in damage of reputation, result in vulnerabilities that could be exploited to breach our systems and/or subject us to fines, payment of damages, lawsuits (including class actions) or restrictions on our use or transfer of personal information (including biometric information).

General Risks

Our ability to utilize our net operating loss, or NOL, carryforwards and certain other tax attributes may be limited.

Our ability to utilize our NOL carryforwards to offset potential future taxable income and related income taxes that would otherwise be due is dependent upon our generation of future taxable income before the expiration dates, if applicable, of the NOL carryforwards, and we cannot predict with certainty when, or whether, we will generate sufficient taxable income to use all of our NOL carryforwards.

Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, or the Code, if a corporation undergoes an "ownership change," generally defined as a greater than 50 percentage point change (by value) in its equity ownership by certain stockholders over a three-year period, the corporation's ability to use its pre-change NOL carryforwards and other pre-change tax attributes (such as research and development tax credits) to offset its post-change income or taxes may be limited. We have experienced ownership changes in the past, and we may experience ownership changes in the future and/or subsequent shifts in our stock ownership (some of which may be outside our control). As a result, if we earn net taxable income, our ability to use our pre-change NOL carryforwards to offset U.S. federal taxable income may be subject to limitations under Section 382, which could potentially result in increased future tax liability to us. In addition, at the state level, there may be periods during which the use of NOL carryforwards is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed.

The market price for our common stock may be volatile, and investors may not be able to sell our stock at a favorable price or at all.

Many factors could cause the market price of our common stock to rise and fall, including:

- actual or anticipated variations in our quarterly results of operations;
- change in market valuations of companies in our industry;
- change in expectations of future financial performance;
- regulatory changes;
- fluctuations in stock market prices and volumes;
- issuance of common stock market prices and volumes;
- the addition or departure of key personnel; and
- announcements by us or our competitors of acquisitions, investments, dispositions, joint ventures or other significant business decisions.

In addition, the stock market in general has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to companies' operating performance, for example, as a result of the coronavirus epidemic or increases in the borrowing rates set by the Federal Reserve. Broad market and industry factors may materially harm the market price of our common stock, regardless of our operating performance. In the past, following periods of volatility in the market price of a company's securities, stockholder derivative lawsuits and/or securities class-action litigation has sometimes been instituted against that company, sometimes irrespective of whether the company took any action contributing to such volatility. Such litigation, if instituted against us, could result in substantial costs and a diversion of management's attention and resources.

The exercise of outstanding options to purchase common stock may result in substantial dilution and may depress the trading price of our common stock.

If our outstanding options to purchase shares of our common stock are exercised and the underlying shares of common stock issued upon such exercise are sold, our stockholders may experience substantial dilution and the market price of our shares of common stock could decline. Further, the perception that such securities might be exercised could adversely affect the trading price of our shares of common stock. During the time that such securities are outstanding, they may adversely affect the terms on which we could obtain additional capital.

Item 1B. Unresolved Staff Comments.

Not applicable.

Item 1C. Cybersecurity.

Risk Management and Strategy

Risk Assessment. We have incorporated policies and procedures aimed at securing and protecting company records and operations. At a minimum, our cybersecurity programs are benchmarked against and aligned to the Center for Internet Security (CIS) Version 8 framework —— a universally accepted and recognized controls standard published in 2021 —— to guide periodic risk assessments and ongoing control monitoring activities. External experts are also utilized for cybersecurity evaluations, as needed, to ensure broad and in-depth evaluations of the transforming cybersecurity environment.

Incident Response and Recovery Planning. We have established comprehensive incident response and recovery plans and continue to regularly test and evaluate the effectiveness of these plans, while also providing necessary training tools and guidance for company personnel. All of these items are incorporated into our overall risk management program.

Third-Party Risk Management. As part of our risk identification efforts and overall cybersecurity risk management framework, we have processes in place to assess and manage third-party service provider cybersecurity risks. Such processes include initial and periodic reviews of independent attestation reports, as well as additional evaluation and due diligence that are dependent on our classification of data stored or processed by the third-party provider.

Governance

Qualifications. We view cybersecurity as a shared responsibility. To that end, the members of our Cybersecurity Committee represent a range of functions from across our company, including our property information technology directors, Corporate Controller, Vice President of Internal Audit and Compliance, Corporate Secretary and General Counsel, and the Western Director of Finance. This group has primary responsibility for assessing and managing material cybersecurity risks. The combined experience of this group consists of approximately 14 decades of direct information technology leadership experience, in addition to multiple degrees and specialized training and certifications in the information technology and cybersecurity field.

External Assessments. We engage independent third parties to conduct external vulnerability and penetration testing.

Management's Role. Our Cybersecurity Committee members and external experts meet quarterly, at a minimum, with the primary purpose of identifying emerging company risks and related solutions, and evaluating the progress of previously-identified risk mitigation activities.

Board Oversight. Our Board, with direct oversight by the Audit Committee and senior management, ultimately presides over our management of cybersecurity risk. The Board routinely receives reports from the Cybersecurity Committee, via the Audit Committee, about the prevention, detection, mitigation, and remediation of cybersecurity incidents, including material security risks and information system security vulnerabilities.

There can be no guarantee that our policies and procedures will be properly followed in every instance or that those policies and procedures will be effective. Further, although we have not experienced any recent material cybersecurity incidents, we face a number of cybersecurity risks in connection with our business. Other casino companies have reported large-scale cybersecurity incidents. We can provide no assurance that there will not be incidents in the future or that they will not materially affect us, including our business strategy, results of operations, or financial condition. See Part I, Item 1A. "Risk Factors – Risks Related to Technology" for additional discussion.

Item 2. Properties.

Substantially all of our assets collateralize our indebtedness, as discussed in Note 7 to the consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data." Several of our facilities are subject to leases of the underlying real estate assets, which may, among other things, include the land underlying the facility and, in some cases, buildings used in business operations, as discussed in Note 8 to the consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data." See Part I, Item 1. "Business — Operating Properties" for additional discussions.

		December 31, 2024				
Segments and Properties	**Locations**	**Owned Land (acres)**	**Leased Land (acres)**	**Slot Machines**	**Table Games**	**Hotel Rooms**
Midwest & South						
American Place[a]	Waukegan, IL	9.95	31.70 [b]	933	43	—
Silver Slipper Casino and Hotel	Hancock County, MS	0.03	44.18 [b]	769	20	129
Rising Star Casino Resort	Rising Sun, IN	312.69	3.01 [b]	623	16	294
West						
Bronco Billy's Casino / Chamonix Casino Hotel[c]	Cripple Creek, CO	6.20	2.89 [b]	630	10	307
Grand Lodge Casino	Incline Village, NV	—	0.48	264	9	(d)
Stockman's Casino[e]	Fallon, NV	—	4.73	189	3	—

(a) The temporary American Place facility opened on February 17, 2023 and does not have hotel operations. The permanent American Place facility (under development) is currently expected to have a significantly larger casino and a premium boutique hotel comprised of 20 luxury villas.

(b) We have the right to buy out such leases at a fixed price.

(c) Bronco Billy's and Chamonix are two integrated and adjoining casinos, operated by our management team as a single entity. Chamonix opened in phases between December 2023 and October 2024.

(d) Located within the Hyatt Lake Tahoe, which offers 422 rooms.

(e) We closed on the sale of Stockman's real property in September 2024 to a privately-held company. We continue to operate the business under a leaseback agreement with the new owners for use of their facilities until the second closing of the Stockman's sale, which is expected to occur in the first half of 2025.

Item 3. Legal Proceedings.

A discussion of our legal proceedings is contained in Note 10 to our consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K.

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.

Our common stock is traded on the Nasdaq Capital Market under the symbol "FLL."

On March 6, 2025, we had 59 "registered holders" of record of our common stock. We believe that a substantial number of stockholders hold their common stock in "street name" or are otherwise beneficial holders whose shares of record are held by banks, brokers, and other financial institutions. Such holders are not included in the number of "registered holders" above.

Dividend Policy

We do not currently pay dividends on our common stock. The payment of dividends in the future will be at the discretion of our board of directors and will be contingent upon our revenues and earnings, if any; the terms of our indebtedness; our capital requirements; growth opportunities; and general financial condition. Our debt covenants currently restrict the payment of dividends and it is the present intention of our board of directors to retain all earnings, if any, for use in our business operations, debt reduction and growth initiatives, reinvesting such earnings on behalf of stockholders. Accordingly, we do not anticipate paying any dividends in the foreseeable future.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion of our results of operations and financial condition should be read together with the other financial information and consolidated financial statements included in this Form 10-K. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from the results anticipated in the forward-looking statements as a result of a variety of factors, including those discussed in Part I, Item 1A. "Risk Factors" and elsewhere in this Annual Report on Form 10-K. The results of operations for the periods reflected herein are not necessarily indicative of results that may be expected for future periods. Full House Resorts, Inc., together with its subsidiaries, may be referred to as "Full House," the "Company," "we," "our" or "us."

Executive Overview

Our primary business is the ownership and/or operation of casino and related hospitality and entertainment facilities, which includes offering, among other amenities, casino gambling, hotel accommodations, dining, golf, RV camping, sports betting, entertainment and retail outlets.

The following table identifies our segments, along with properties and their locations as of December 31, 2024:

Segments and Properties	Locations
Midwest & South	
American Place*	Waukegan, IL (northern suburb of Chicago)
Silver Slipper Casino and Hotel ("Silver Slipper")	Hancock County, MS (near New Orleans)
Rising Star Casino Resort ("Rising Star")	Rising Sun, IN (near Cincinnati)
West	
Bronco Billy's Casino ("Bronco Billy's") and Chamonix Casino Hotel ("Chamonix")*	Cripple Creek, CO (near Colorado Springs)
Grand Lodge Casino ("Grand Lodge"), leased and part of the Hyatt Regency Lake Tahoe Resort, Spa and Casino	Incline Village, NV (North Shore of Lake Tahoe)
Stockman's Casino ("Stockman's"), held for sale starting August 2024	Fallon, NV (one hour east of Reno)
Contracted Sports Wagering	
One active sports wagering website ("skin"), plus two others that are currently idle	Colorado
One active sports wagering website ("skin"), plus two others that are currently idle	Indiana
One active sports wagering website ("skin"), commenced in August 2023	Illinois

* The temporary American Place facility opened on February 17, 2023. Chamonix opened in phases between December 2023 and October 2024.

We currently operate seven casinos: six on real estate that we own or lease, and one located within a hotel owned by a third party. Additionally, we benefit from seven permitted sports wagering skins – three in Colorado, three in Indiana, and one in Illinois. Three of these sports skins are currently in use.

In February 2023, we opened our temporary American Place facility, which we are permitted to operate until August 2027. We have begun the design work for the permanent gaming resort facility that we plan to build on adjoining land.

In August 2024, we entered into an agreement to sell Stockman's to a privately owned company. We closed on the sale of Stockman's real property in September 2024. We continue to operate the business under a leaseback agreement with the new owners for use of their facilities until the second closing of the Stockman's sale, which is expected to occur in the first half of 2025.

In October 2024, we completed the phased opening of Chamonix, our newest property, located adjacent to our existing Bronco Billy's Casino.

Our financial results are dependent upon the number of patrons that we attract to our properties and the amounts those guests spend per visit. While we provide credit at some of our casinos where permitted by gaming regulations, most of our revenues are cash-based, through customers wagering with cash or paying for non-gaming services with cash or credit cards. Our revenues are primarily derived from slot machines, but also include other gaming activities, including table games, keno and sports betting. In addition, we derive a significant amount of revenue from our hotels and our food and beverage outlets. We also derive revenues from our golf course and ferry boat service at Rising Star, our RV parks owned at Rising Star and managed at Silver Slipper, and retail outlets and entertainment. We often provide hotel rooms, food and beverages, entertainment, ferry usage, and golf privileges to customers on a complimentary basis; the value of such services is included as revenue in those categories, offset by contra-revenue in the casino revenue category. As a result, the casino revenues in our financial statements reflect patron gaming wins and losses, reduced by the retail value of complimentary services, the value of free play provided to customers, the value of points earned by casino customers that can be redeemed for services or free play, and adjustments for certain progressive jackpots offered by the Company.

We set minimum and maximum betting limits for our slot machines and table games based on market conditions, customer demand and other factors. Our gaming revenues are derived from a broad base of guests that includes both high- and low-stakes players. At Silver Slipper, our sports book operations are in partnership with a company specializing in race and sports betting. At Rising Star, Bronco Billy's, and American Place, we have contracted with other companies to operate our online sports wagering skins under their own brands in exchange for a percentage of revenues, as defined, subject to annual minimum amounts; the same company also operates our on-site sports book at American Place. Our operating results may also be affected by, among other things, overall economic conditions affecting the disposable income of our guests, weather conditions affecting access to our properties, achieving and maintaining cost efficiencies, taxation and other regulatory changes, and competitive factors, including but not limited to, additions and improvements to the competitive supply of gaming facilities, as well as pandemics and similar widespread health emergencies.

We may experience significant fluctuations in our quarterly operating results due to seasonality, variations in gaming hold percentages and other factors. Consequently, our operating results for any quarter or year are not necessarily comparable and may not be indicative of results in future periods.

Our market environment is highly competitive and capital-intensive. Nevertheless, there are significant restrictions and barriers to entry vis-à-vis opening new casinos in most of the markets in which we operate. We rely on the ability of our properties to generate operating cash flow to pay interest, repay debt, and fund maintenance and certain growth-related capital expenditures. We continuously focus on improving the operating margins of our existing properties through a combination of revenue growth and expense management. We also assess growth and development opportunities, which include capital investments at our existing properties, the development of new properties, and the acquisition of existing properties.

Recent Developments

Stockman's Sale. On August 28, 2024, we entered into an agreement to sell Stockman's for total gross proceeds of $9.2 million, plus certain expected working capital adjustments at closing. The sale was designed to be completed in two phases: the sale of Stockman's real property for $7.0 million, which closed on September 27, 2024; and the sale of certain remaining operating assets and related liabilities for $2.2 million (excluding any adjustments for working capital), upon the receipt of customary gaming approvals.

To accommodate the buyer while it seeks its gaming approvals, we are temporarily continuing to operate Stockman's under the West segment while leasing back the real property. Upon the second closing that is expected to occur in the first half of 2025, we will transfer all operations of Stockman's to the buyer and the leaseback will terminate. During 2024, we recognized a $1.9 million gain from the sale of Stockman's real property to operating income, net of $0.8 million in transaction costs.

Chamonix Casino Hotel. Designed to integrate with our adjacent Bronco Billy's Casino, Chamonix is the only luxury casino hotel located near the Colorado Springs metropolitan area. On December 27, 2023, we began its phased opening, starting with the casino, meeting space, and approximately one-third of its 300 guestrooms. Chamonix's remaining guestrooms came online gradually during the first quarter of 2024. Our high-end steakhouse, 980 Prime, began welcoming its first guests in April 2024, while our rooftop pool and portions of our spa opened in May 2024. We completed Chamonix's opening in October 2024, with its jewelry store and the rest of its spa.

American Place. In February 2023, we opened our temporary American Place facility in Waukegan, Illinois, which we are permitted to operate until August 2027. American Place currently includes approximately 940 slot machines, 48 table games, a fine-dining restaurant, two additional restaurants, a center bar and a sportsbook. We have begun design work for the permanent American Place facility, which is expected to include a larger casino, state-of-the-art sportsbook, premium boutique hotel comprised of 20 luxurious villas, and various food and beverage outlets.

Grand Lodge Casino Lease Extension through December 2034. In July 2024, our lease with the owner of the Hyatt Lake Tahoe to operate the Grand Lodge Casino was amended to further extend the current term through December 31, 2034. The current annual rent of $2.0 million will increase nominally in 2025, followed by annual increases of 2% for the remainder of this extended term. In the event of a significant renovation, the lessor may terminate the lease early with six months' notice. Similar to previous lease arrangements, the lessor also has an option to purchase our leasehold interest and related operating assets of the Grand Lodge Casino at any time prior to lease expiration, subject to assumption of applicable liabilities. The option price is an amount equal to Grand Lodge Casino's positive working capital, plus its earnings before interest, income taxes, depreciation and amortization ("EBITDA") for the 12-month period preceding the acquisition (or pro-rated if less than 12 months remain on the lease), plus the fair market value of Grand Lodge Casino's personal property.

Contracted Sports Wagering Amendments and Settlements. In July 2024, we amended two contracted sports wagering agreements, resulting in the collection of a total of $2.1 million. Specifically, these amendments settled overdue payments owed to our subsidiaries in Colorado and Indiana, reduced certain future annual amounts due to us under the agreements, and required such annual fees to be paid in advance of each annual term. In January 2025, we received notice that this sports betting operator was discontinuing its operations in Colorado and Indiana, to be effective prior to the June 2025 and December 2025 anniversaries in its agreements with us.

Key Performance Indicators

We use several key performance indicators to evaluate the operations of our properties. These key operating measures are presented as supplemental disclosures because management uses these measures to better understand period-over-period fluctuations in our casino and hotel operating revenues and as a measure of our performance. These key performance indicators include the following and are disclosed in our discussions, where applicable, for certain jurisdictions on segment performance:

Gaming revenue indicators:

Slot coin-in is the gross dollar amount wagered in slot machines and table game drop is the total amount of cash or credit exchanged into chips at table games for use by our customers. Slot coin-in and table game drop are indicators of volume, and are monitored on a consolidated basis in relation to slot and table game win. Such metrics can be influenced by marketing activity and are not necessarily indicative of profitability trends.

Slot win is the difference between customer wagers and customer winnings on slot machines. Table game hold is the difference between the amount of money or markers exchanged into chips and customer winnings paid. Slot win and table game hold percentages represent the relationship between slot win and coin-in and table game win and drop. Both the slot win and table game hold percentages are monitored on a consolidated basis in our evaluation of Company performance.

Room revenue indicators:

Hotel occupancy rate is an indicator of the utilization of our available rooms. Complimentary room sales, or the retail value of accommodations furnished to customers on a complimentary basis, are included in the calculation of the hotel occupancy rate.

Adjusted EBITDA, Adjusted Segment EBITDA, Adjusted Segment EBITDA Margin and Adjusted Property EBITDA:

Management uses Adjusted EBITDA as a measure of our performance. For a description of Adjusted EBITDA, see "Non-GAAP Financial Measure." We utilize Adjusted Segment EBITDA as the measure of segment profitability in assessing performance and allocating resources at the reportable segment level. For information regarding our operating segments, see Note 12 to the consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data." Additionally, we use Adjusted Segment EBITDA Margin, which is calculated by dividing Adjusted Segment EBITDA by the segment's total revenues.

Same-store Adjusted Segment EBITDA is Adjusted Segment EBITDA further adjusted to exclude the Adjusted Property EBITDA of properties that have not been in operation for a full year. Adjusted Property EBITDA is defined as earnings before interest and other non-operating income (expense), taxes, depreciation and amortization, preopening expenses, impairment charges, asset write-offs, recoveries, gain (loss) from asset sales and disposals, project development and acquisition costs, non-cash share-based compensation expense, and corporate-related costs and expenses that are not allocated to each property.

Results of Operations ─ 2024 Compared to 2023

Consolidated operating results

The following tables summarize our consolidated operating results for the years ended December 31, 2024 and 2023:

(In thousands)	**Year Ended December 31,**		**Increase / (Decrease)**
	2024	**2023**	
Revenues	$ 292,065	$ 241,060	21.2 %
Operating expenses	289,315	242,222	19.4 %
Operating income (loss)	2,750	(1,162)	N.M.
Interest and other non-operating expenses, net	43,201	22,593	91.2 %
Income tax expense	221	1,149	(80.8)%
Net loss	$ (40,672)	$ (24,904)	63.3 %

N.M. Not meaningful.

(In thousands)	**Year Ended December 31,**		**Increase / (Decrease)**
	2024	**2023**	
Casino revenues			
Slots	$ 180,827	$ 148,363	21.9 %
Table games	35,632	28,122	26.7 %
Other	421	448	(6.0)%
	216,880	176,933	22.6 %
Non-casino revenues, net			
Food and beverage	41,871	33,980	23.2 %
Hotel	15,709	9,428	66.6 %
Other	17,605	20,719	(15.0)%
	75,185	64,127	17.2 %
Total revenues	$ 292,065	$ 241,060	21.2 %

(In thousands)	Year Ended December 31, 2024	2023	Increase / (Decrease)
Slot coin-in	$ 3,076,528	$ 2,605,335	18.1 %
Slot win[1]	$ 233,622	$ 191,556	22.0 %
Slot hold percentage[2]	7.6 %	7.4 %	0.2 pts
Table game drop	$ 202,987	$ 152,854	32.8 %
Table game win[1]	$ 36,349	$ 28,372	28.1 %
Table game hold percentage[2]	17.9 %	18.6 %	(0.7)pts

(1) Does not reflect reductions in casino revenues from "discretionary comps." For details on our customer loyalty programs, see Note 2 to the consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data."

(2) The three-year averages for slot hold percentage and table game hold percentage were 7.4% and 18.2%, respectively. Longer-term hold percentages can vary due to a number of factors, including the addition of new properties like Chamonix and American Place, or changes in our game mix.

The following discussion is based on our consolidated financial statements for the years ended December 31, 2024 and 2023.

Revenues. Consolidated total revenues increased by 21.2% (or $51.0 million) in 2024. Such increase was primarily due to a full year of operations at American Place, which opened on February 17, 2023. Revenues during 2024 also benefited from the opening of Chamonix, which opened in phases between December 2023 and October 2024.

For more information, see *"Supplemental Information – Same-store Operating Results."*

Operating expenses. Consolidated operating expenses increased by 19.4% (or $47.1 million) in 2024, primarily due to the commencement of operations at American Place in February 2023 and Chamonix in December 2023. Both openings resulted in increased casino, food and beverage, hotel, selling, general and administrative and depreciation expenses. Selling, general and administrative expenses at American Place rose $5.1 million from 2023 to 2024. For Chamonix, selling, general and administrative expenses increased $11.1 million from 2023 to 2024, and depreciation and amortization expense rose by $14.9 million.

See further information within our reportable segments described below.

Interest and other non-operating expense, net.

Interest Expense

Interest expense, net, consists of the following:

(In thousands)	Year Ended December 31,	
	2024	2023
Interest expense (excluding bond fee amortization and discounts/premiums)	$ 42,091	$ 39,860
Amortization of debt issuance costs and discounts/premiums	2,987	2,793
Capitalized interest	(1,114)	(15,938)
Interest income and other	(763)	(3,738)
	$ 43,201	$ 22,977

The increase in net interest expense for 2024 was primarily due to reductions in capitalized interest, as construction of the temporary American Place facility and Chamonix was largely complete during the year. Additionally, as we invested cash into the construction of both projects, our cash balances were lower during the 2024 period, resulting in reduced interest income. Further, we issued $40.0 million of Additional Notes in February 2023, so the 2023 period does not reflect a full year of the related interest expense. See Note 7 to the consolidated financial statements set forth in Part II, Item 8. “Financial Statements and Supplementary Data” for a more detailed discussion.

Other non-operating expense, net

In 2024, we did not have any other non-operating expense. In 2023, we had $0.4 million of other non-operating income, consisting of insurance settlement proceeds from hurricane damage at Silver Slipper in 2020.

Income taxes. Our effective income tax rates for the years ended December 31, 2024 and 2023 were (0.5%) and (4.8%), respectively. Our tax rates differ from the statutory rate of 21.0% primarily due to the effects of changes in our valuation allowance, state taxes, and items that are permanently treated differently for GAAP and tax purposes. During 2024, we continued to provide a valuation allowance against our deferred tax assets (“DTAs”), net of any available deferred tax liabilities, as applicable, based on our analysis of the timing of reversal of such deferred taxes. For 2024, the valuation allowance was $35.6 million, compared to $24.0 million for 2023. In future years, if it is determined that we meet the “more likely than not” threshold of utilizing our DTAs, then we may reverse some or all of our valuation allowance against our DTAs.

We do not expect to pay any federal income taxes or receive any federal tax refunds related to our 2024 results. Similarly, we do not expect to pay income taxes related to any states the Company operates in. Any future federal taxable income is expected to result in the utilization of our net operating loss carryforwards, which can be used to offset 80% of taxable income. Due to the level of uncertainty regarding sufficient prospective income as measured under GAAP, we maintain a valuation allowance against our DTAs, as mentioned above. See Note 9 to the consolidated financial statements set forth in Part II, Item 8. “Financial Statements and Supplementary Data” for a more detailed discussion.

Operating Results — Reportable Segments

We manage our casinos based primarily on geographic regions within the United States and type of income. For more information, please refer to our earlier discussion within the "Executive Overview" section.

The following table presents detail by segment of our consolidated revenues and Adjusted EBITDA (see "Non-GAAP Financial Measure" for more information). Additionally, management uses Adjusted Segment EBITDA as its measure of segment profitability in accordance with GAAP.

(In thousands)	**Year Ended December 31,**		**Increase / (Decrease)**
	2024	**2023**	
Revenues			
Midwest & South	$ 219,626	$ 192,358	14.2 %
West	63,648	35,888	77.4 %
Contracted Sports Wagering	8,791	12,814	(31.4)%
	$ 292,065	$ 241,060	21.2 %
Adjusted Segment EBITDA and Adjusted EBITDA			
Midwest & South	$ 45,737	$ 39,028	17.2 %
West	(1,302)	2,408	N.M.
Contracted Sports Wagering	9,503	11,663	(18.5)%
Adjusted Segment EBITDA	53,938	53,099	1.6 %
Corporate	(5,290)	(4,542)	16.5 %
Adjusted EBITDA	$ 48,648	$ 48,557	0.2 %
Adjusted Segment EBITDA Margin			
Midwest & South	20.8 %	20.3 %	0.5 pts
West	(2.0)%	6.7 %	(8.7) pts
Contracted Sports Wagering	108.1 %	91.0 %	17.1 pts

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N.M. Not meaningful.

Supplemental Information — Same-store Operating Results

The following table presents the financial results of our Midwest & South operations on a same-store basis for the years ended December 31, 2024 and 2023 for revenues and Adjusted Segment EBITDA; see "Adjusted EBITDA, Adjusted Segment EBITDA, Adjusted Segment EBITDA Margin and Adjusted Property EBITDA" for additional information.

Same-store operations exclude results of new and acquired properties that have not been in operations for longer than a year, starting from the date of commencement or acquisition through the end of the reporting period. Accordingly, for Midwest & South, we have excluded the results of American Place for periods subsequent to its commencement of operations.

(In thousands)	**Year Ended December 31,**		**Increase / (Decrease)**
	2024	**2023**	
Midwest & South same-store total revenues[1]	$ 109,964	$ 115,371	(4.7)%
American Place	109,662	76,987	42.4 %
Midwest & South total revenues	$ 219,626	$ 192,358	14.2 %
Midwest & South same-store Adjusted Segment EBITDA[1]	$ 16,327	$ 20,619	(20.8)%
American Place	29,410	18,409	59.8 %
Midwest & South Adjusted Segment EBITDA	$ 45,737	$ 39,028	17.2 %
Midwest & South same-store Adjusted Segment EBITDA margin[1]	14.8 %	17.9 %	(3.1) pts
American Place	26.8 %	23.9 %	2.9 pts
Midwest & South Adjusted Segment EBITDA margin	20.8 %	20.3 %	0.5 pts

(1) Same-store operations exclude results from American Place, which opened on February 17, 2023.

The following table presents the financial results of our Contracted Sports Wagering operations on a same-store basis for the years ended December 31, 2024 and 2023 for revenues and Adjusted Segment EBITDA; see "Adjusted EBITDA, Adjusted Segment EBITDA, Adjusted Segment EBITDA Margin and Adjusted Property EBITDA" for additional information.

Same-store operations exclude results of new sports wagering contracts that have not been in operations for longer than a year, starting from the date of commencement or acquisition through the end of the reporting period. Accordingly, for Contracted Sports Wagering, we have excluded the results in Illinois for periods subsequent to its contractual commencement of revenue payments. For comparability, we also excluded accelerated revenues and recoveries in connection with contract terminations from same-store operations.

(In thousands)	**Year Ended December 31,**		**Increase / (Decrease)**
	2024	**2023**	
Contracted Sports Wagering same-store total revenues[1]	$ 2,004	$ 4,773	(58.0)%
Accelerated revenues due to contract terminations[2]	893	5,794	(84.6)%
Illinois	5,894	2,247	162.3 %
Contracted Sports Wagering total revenues	$ 8,791	$ 12,814	(31.4)%
Contracted Sports Wagering same-store Adjusted Segment EBITDA[1]	$ 1,522	$ 3,717	(59.1)%
Accelerated revenues due to contract terminations[2]	893	5,794	(84.6)%
Recoveries from contract settlements and modifications[3]	1,408	—	N.M.
Illinois	5,680	2,152	163.9 %
Contracted Sports Wagering Adjusted Segment EBITDA	$ 9,503	$ 11,663	(18.5)%
Contracted Sports Wagering same-store Adjusted Segment EBITDA margin[1]	75.9 %	77.9 %	(2.0) pts
Illinois	96.4 %	95.8 %	0.6 pts
Contracted Sports Wagering Adjusted Segment EBITDA margin	108.1 %	91.0 %	17.1 pts

N.M. Not meaningful.

(1) Same-store operations exclude results from Illinois, which contractually commenced on August 15, 2023. For enhanced comparability, same-store operations also exclude accelerated revenues and recoveries in connection with contract terminations.

(2) Reflects one sport skin that ceased operations in the second quarter of 2024, and two sports skins that ceased operations in the third quarter of 2023.

(3) Reflects recoveries from contract settlements and modifications in the second half of 2024.

Midwest & South

Our Midwest & South segment includes Silver Slipper, Rising Star and American Place. Compared to 2023, total revenues in 2024 increased by 14.2% (or $27.3 million), primarily due to the continued ramp-up of operations at American Place. Excluding results from American Place, same-store revenues declined by 4.7% (or $5.4 million), primarily due to lower casino revenue during the year.

Reflecting the February 2023 opening of American Place, casino revenue during 2024 increased by 16.3% (or $23.7 million), led by a 14.5% increase in slot revenue (or $17.6 million). Table games revenue in 2024 also increased by 25.9% (or $6.1 million). Excluding results from American Place, same-store casino revenue declined by 7.2% (or $5.3 million), primarily due to lower slot volumes at Silver Slipper and Rising Star. Rising Star continues to compete with a racetrack casino that opened in September 2022 in Northern Kentucky.

Non-casino revenue increased by 7.6% (or $3.6 million), largely due to increases in food and beverage revenue. Food and beverage revenue rose 11.9% (or $3.6 million), including $3.3 million generated by American Place, reflecting increased operating hours at its dining outlets and the February 2024 opening of its high-end steak and seafood restaurant. Non-casino revenue also benefited from $1.7 million in ATM and related surcharge income at American Place during 2024, compared to $1.4 million in 2023. As American Place does not currently have a hotel, hotel revenues for the segment declined in 2024 by 6.0% (or $0.5 million) due to lower guest volumes at Silver Slipper and Rising Star.

Adjusted Segment EBITDA increased by 17.2% (or $6.7 million) from the prior year, reflecting improved efficiencies at American Place versus its first year of operations. American Place generated $29.4 million of Adjusted Property EBITDA, offsetting a same-store Adjusted Segment EBITDA decline of $4.3 million (20.8%) during 2024. Same-store operations were primarily affected by overall declines in casino revenues noted above.

West

Our West segment includes Bronco Billy's, Chamonix, Grand Lodge, and Stockman's, which is currently held for sale (see Note 3 to the consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data"). The market in Cripple Creek, Colorado, is typically seasonal, favoring the summer months. Our Nevada operations have historically been seasonal, with the summer months accounting for a disproportionate share of annual revenues. Additionally, snowfall levels during the winter months can often affect operations, as Grand Lodge is located near several major ski resorts. While Grand Lodge typically benefits from a "good" snow year, resulting in extended periods of operation at the nearby ski areas, excessive snow levels can also result in challenging driving conditions or the closure of roads leading to the property.

Total segment revenues increased by 77.4% (or $27.8 million), primarily due to the phased opening of Chamonix, which was designed to integrate with existing operations at Bronco Billy's. In November 2024, Chamonix held a grand opening party to celebrate its completion, as it was opened in phases between December 2023 and October 2024.

Casino revenue increased by 51.5% (or $16.2 million), reflecting contributions from Chamonix and the dissipation of construction-related disruption at our adjacent Bronco Billy's. Slot revenue accounted for most of the increases in 2024; it increased by 54.6% (or $14.8 million), offsetting modest decreases in slot and table games volumes at Grand Lodge. Table games revenue improved by 31.3% (or $1.4 million), attributable entirely to our Colorado operations from higher table games drop.

Non-casino revenue increased by 265.3% (or $11.5 million) for 2024. Food and beverage revenues rose by $4.2 million, and hotel revenues increased by $6.8 million during the year. These improvements came from Chamonix, which gradually opened its approximately 300-room hotel throughout the first quarter of 2024. Guest volume increases from Chamonix's new hotel also benefited food and beverage venues throughout Chamonix and Bronco Billy's.

Adjusted Segment EBITDA declined by $3.7 million in 2024, compared to the prior year. Results in 2024 reflect the phased opening of Chamonix, which is currently operating less efficiently than we expect in future quarters. Elevated expenses include the training of new employees and additional marketing costs expected to benefit future operations, as well as the cost of operating many amenities at the new resort while continuing to complete construction.

Contracted Sports Wagering

The Contracted Sports Wagering segment consists of our on-site and online sports wagering skins in Colorado, Indiana and Illinois.

For 2024, this segment's revenues declined by 31.4%, from $12.8 million in 2023 to $8.8 million in 2024, and Adjusted Segment EBITDA declined by 18.5%, from $11.7 million to $9.5 million. These results reflect two contract terminations in 2023, which resulted in the acceleration of deferred revenues totaling $5.8 million. During 2024, a sports wagering agreement in Colorado was terminated early in April 2024, resulting in $0.9 million of accelerated revenues and $1.2 million in expense recoveries. Also in 2024, settlement payments from two other contracts resulted in the reversal of certain prior-period credit loss provisions in Colorado and Indiana for an additional $0.2 million in recoveries in the third quarter. Total recoveries of $1.4 million in 2024 resulted in an Adjusted Segment EBITDA margin of 108.1%, compared to 91.0% in 2023.

The segment's results also reflect the launch of our permitted Illinois sports skin in August 2023. Under the Illinois sports wagering agreement, we receive a percentage of online revenues (as defined), subject to an annualized minimum of $5 million, with minimal expected expenses. The market access fee of $5 million, paid to us upon the signing of the contract, is amortized over the contract term and contributes an additional $0.6 million of revenue annually. We also receive a percentage of on-site sports revenue, as defined. For 2024, this Illinois sports wagering agreement alone contributed a total of $5.9 million to revenues and $5.7 million to Adjusted Segment EBITDA. For 2023, the agreement contributed $2.2 million to revenues and also to Adjusted Segment EBITDA.

We had two idle sports skins in each of Indiana and Colorado as of December 31, 2024. In January 2025, we received notice that a contracted sports betting operator was discontinuing its operations in Colorado and Indiana, to be effective prior to the June 2025 and December 2025 anniversaries in its agreements with us. There is no certainty that we will be able to enter into agreements with other third-party operators on similar terms or at all.

Corporate

Corporate expenses were $5.3 million and $4.5 million in 2024 and 2023, respectively, reflecting growth in the Company's operations.

Non-GAAP Financial Measure

"Adjusted EBITDA" is earnings before interest and other non-operating income (expense), taxes, depreciation and amortization, preopening expenses, impairment charges, asset write-offs, recoveries, gain (loss) from asset sales and disposals, project development and acquisition costs, and non-cash share-based compensation expense. Adjusted EBITDA information is presented solely as supplemental disclosure to measures reported in accordance with generally accepted accounting principles in the United States of America ("GAAP") because management believes this measure is (i) a widely used measure of operating performance in the gaming and hospitality industries and (ii) a principal basis for valuation of gaming and hospitality companies. In addition, a version of Adjusted EBITDA (known as Consolidated Cash Flow) is utilized in the covenants within our credit facility, although not necessarily defined in the same way as above. Adjusted EBITDA is not, however, a measure of financial performance or liquidity under GAAP. Accordingly, this measure should be considered supplemental and not a substitute for net income (loss) or cash flows as an indicator of our operating performance or liquidity.

The following table presents a reconciliation of net loss to Adjusted EBITDA:

(In thousands)	**Year Ended December 31,**	
	2024	**2023**
Net loss	$ (40,672)	$ (24,904)
Income tax expense	221	1,149
Interest expense, net	43,201	22,977
Other	—	(384)
Operating income (loss)	2,750	(1,162)
Project development costs	368	53
Preopening costs	2,464	15,685
Depreciation and amortization	42,101	31,092
Loss on disposal of assets	18	7
Gain on sale of Stockman's	(1,926)	—
Stock-based compensation	2,873	2,882
Adjusted EBITDA	$ 48,648	$ 48,557

The following tables present reconciliations of operating income (loss) to Adjusted Segment EBITDA and Adjusted EBITDA:

Year Ended December 31, 2024
(In thousands)

	Operating Income (Loss)	Depreciation and Amortization	Loss on Disposal of Assets	Gain on Sale of Stockman's	Project Development Costs	Preopening Costs	Stock-Based Compensation	Adjusted Segment EBITDA and Adjusted EBITDA
Reporting segments								
Midwest & South	$ 20,631	$ 24,969	$ 18	$ —	$ —	$ 119	$ —	$ 45,737
West	(18,718)	16,997	—	(1,926)	—	2,345	—	(1,302)
Contracted Sports Wagering	9,503	—	—	—	—	—	—	9,503
	11,416	41,966	18	(1,926)	—	2,464	—	53,938
Other operations								
Corporate	(8,666)	135	—	—	368	—	2,873	(5,290)
	$ 2,750	$ 42,101	$ 18	$ (1,926)	$ 368	$ 2,464	$ 2,873	$ 48,648

Year Ended December 31, 2023
(In thousands)

	Operating Income (Loss)	Depreciation and Amortization	Loss on Disposal of Assets	Project Development Costs	Preopening Costs	Stock-Based Compensation	Adjusted Segment EBITDA and Adjusted EBITDA
Reporting segments							
Midwest & South	$ 428	$ 28,593	$ 7	$ —	$ 10,000	$ —	$ 39,028
West	(5,654)	2,377	—	—	5,685	—	2,408
Contracted Sports Wagering	11,663	—	—	—	—	—	11,663
	6,437	30,970	7	—	15,685	—	53,099
Other operations							
Corporate	(7,599)	122	—	53	—	2,882	(4,542)
	$ (1,162)	$ 31,092	$ 7	$ 53	$ 15,685	$ 2,882	$ 48,557

Operating expenses deducted to arrive at operating income (loss) in the above tables include facility rents related to: (i) Midwest & South of $5.4 million in 2024 and $5.0 million in 2023, and (ii) West of $2.8 million in 2024 and $1.9 million in 2023. During 2023, $0.8 million of qualifying rent in our West segment was reclassified to preopening costs for our Chamonix construction project, while there was no such amount in 2024. Finance lease payments of $0.7 million in both 2024 and 2023 related to Rising Star's smaller hotel within the Indiana segment are not deducted, as such payments are accounted for as interest expense and amortization of debt related to the finance obligation.

Liquidity and Capital Resources

Cash Flows

As of December 31, 2024, we had $40.2 million of cash and equivalents. Over the last several years, we invested in two large construction projects that are now open to the public: the temporary facility at American Place, which opened in February 2023, and Chamonix, which opened in phases between December 2023 and October 2024. Such construction activity is now substantially complete and their operations are in their ramp-up periods. We estimate that between $10 million and $15 million of cash is used in our day-to-day operations, including on-site cash in our slot machines, change and redemption kiosks, and cages. We believe that current cash balances, together with the available borrowing capacity under our revolving credit facility and cash flows from operating activities, will be sufficient to meet our liquidity and capital resource needs for the next 12 months of operations.

Cash flows – operating activities. On a consolidated basis, cash provided by operations during 2024 was $13.8 million, compared to $22.3 million in 2023. Trends in our operating cash flows tend to follow trends in operating income, excluding non-cash charges, but are also affected by changes in working capital. During 2024, we benefited from a full year of operations at American Place, which opened in February 2023. Net interest expense also rose in 2024 when compared to the prior year, the result of declines in both interest income and capitalized interest, as we began the phased opening of Chamonix in December 2023.

Cash flows – investing activities. On a consolidated basis, cash used in investing activities during 2024 was $45.7 million. These investments primarily related to the construction of Chamonix, partially offset by proceeds from the sale of Stockman's. In 2023, such amount was $198.8 million, which included a gaming license payment of $50.3 million required to open American Place, as well as capital expenditures to construct Chamonix and American Place.

Cash flows – financing activities. On a consolidated basis, cash used in financing activities during 2024 was $1.5 million, while cash provided by financing activities during 2023 was $59.0 million. During 2023, net borrowings from the Credit Facility totaled $27.0 million, and we received $40.0 million of gross proceeds from the issuance of our Additional Notes to open American Place.

Other Factors Affecting Liquidity

We have significant outstanding debt and contractual obligations. Our principal debt matures in February 2028. Certain planned capital expenditures designed to grow the Company, such as the permanent American Place facility, may require additional financing and/or temporarily reduce the Company's ability to repay debt.

Our operations are subject to financial, economic, competitive, regulatory and other factors, many of which are beyond our control. Such future developments are highly uncertain and cannot be accurately predicted at this time.

Long-Term Debt. At December 31, 2024, we had $450.0 million of principal indebtedness outstanding under the Notes, and $27.0 million outstanding under the Credit Facility. We also owe $1.7 million related to our finance lease of a hotel at Rising Star. With the exception of our Credit Facility, all of our debt is at fixed interest rates.

See Note 7 to the consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data" for details on our debt obligations.

Hyatt Option to Purchase our Leasehold Interest and Related Assets. Our lease with the owner of the Hyatt Lake Tahoe to operate the Grand Lodge Casino has been extended several times and currently expires on December 31, 2034. In the event of a significant renovation, the lessor may terminate the lease early with six months' notice. Similar to previous lease arrangements, the lessor also has the ability to purchase our leasehold interest and related casino operating assets at any time prior to lease expiration. See Note 8 to the consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data" for further information about this option and related rental commitments that could affect our liquidity and capital resources.

Capital Investments. In addition to normal maintenance capital expenditures, we made significant capital investments related to the completion of Chamonix, and we expect to do the same for the permanent American Place facility.

Chamonix — We opened Chamonix in phases between December 2023 and October 2024. To fund Chamonix's construction, we issued our 2028 Notes and placed a portion of such proceeds into a restricted cash account dedicated to the completion of its construction (see Note 7 to the consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data"). As we completed construction of Chamonix in the fourth quarter of 2024, such restricted cash balance was $0 as of December 31, 2024.

American Place — We were selected by the IGB to develop and operate American Place in Waukegan, Illinois. While the larger permanent facility is under development, we are operating the temporary American Place facility, which we are permitted to operate until August 2027. We expect to internally generate a portion of the needed funds to complete American Place, but we will likely need additional financing. While there is no certainty that we will be able to do so, we intend to arrange such additional funding along with the refinancing of our existing debt. Such debt is currently callable and otherwise scheduled to mature in February 2028.

Other Capital Expenditures — Additionally, we may fund various other capital expenditure projects, depending on our financial resources. Our capital expenditures may fluctuate due to decisions regarding strategic capital investments in new or existing facilities, and the timing of capital investments to maintain the quality of our properties. No assurance can be given that any of our planned capital expenditure projects will be completed or that any completed projects will be successful. Our annual capital expenditures typically include some number of new slot machines and related equipment; to some extent, we can coordinate such purchases to match our resources.

We evaluate projects based on a number of factors, including profitability forecasts, length of the development period, the regulatory and political environment, and the ability to secure the funding necessary to complete the development or acquisition, among other considerations. No assurance can be given that any additional projects will be pursued or completed or that any completed projects will be successful.

Principal Debt Arrangements

See Note 7 to the consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data" for more information.

Critical Accounting Estimates and Policies

Our consolidated financial statements were prepared in conformity with accounting principles generally accepted in the United States of America. Certain of our accounting policies require that we apply significant judgment in defining the appropriate assumptions for calculating estimates that affect reported amounts and disclosures. By their nature, judgments are subject to an inherent degree of uncertainty, and therefore, actual results may differ from our estimates. We believe the following critical accounting policies affect the most significant judgments and estimates used in the preparation of our consolidated financial statements.

Impairment of Long-lived Assets, Goodwill and Indefinite-Lived Intangibles

Our long-lived assets include property and equipment, goodwill, license rights, tradenames, and other indefinite-lived intangibles. They are evaluated at least annually (and more frequently when circumstances warrant) to determine if events or changes in circumstances indicate that the carrying value may not be recoverable. Examples of such events or changes in circumstances that might indicate impairment testing is warranted might include, as applicable, an adverse change in the legal, regulatory or business climate relative to gaming nationally or in the jurisdictions in which we operate, or a significant long-term decline in historical or forecasted earnings or cash flows or the fair value of our property or business, possibly as a result of competitive or other economic or political factors. In evaluating whether a loss in value is other than temporary, we consider: (i) the length of time and the extent to which the fair value or market value has been less than cost; (ii) the financial condition and near-term prospects of the casino property, including any specific events which may influence the operations; (iii) our intent related to the asset and ability to retain it for a period of time sufficient to allow for any anticipated recovery in fair value; (iv) the condition and trend of the economic cycle; (v) historical and forecasted financial performance; and (vi) trends in the general market.

We review the carrying value of our property and equipment used in our operations whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from estimated future undiscounted cash flows expected to result from its use and eventual disposition. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the undiscounted cash flows do not exceed the carrying value, then an impairment is recorded based on the fair value of the asset. Fair value is typically measured using a discounted cash flow model whereby future cash flows are discounted using a weighted-average cost of capital, developed using a standard capital-asset pricing model, based on guideline companies in our industry.

We test our goodwill and indefinite-lived intangible assets for impairment annually during the fourth quarter or when a triggering event occurs. For our 2024 annual impairment tests, we performed selective quantitative analyses and certain qualitative analyses for our goodwill and indefinite-lived intangibles, and concluded it was “more likely than not” that the fair values of such intangibles exceeded their carrying values. Accordingly, the Company’s annual assessment for goodwill and indefinite lived intangible assets as of December 31, 2024 resulted in no impairment charges.

There are significant judgments and estimates included in the quantitative analysis of goodwill for impairment and actual results may differ materially from our estimates. Estimates of future cash flow levels, by their nature, are complex and subjective. In addition, the market multiples and discount rates used in impairment tests are highly judgmental and dependent in large part on expectations of future market conditions. These assumptions pose a high degree of sensitivity to the resulting fair values, and if certain future operating results do not meet current expectations, or there are changes to certain underlying assumptions and variables, many of which are derived from external factors that we cannot control or influence, there could be a material impact on the results of future tests. Any impairment charges incurred are not reversed if a subsequent evaluation concludes a higher valuation than the carrying value. For further discussion of goodwill and other intangible assets, see Note 2 and Note 5 to the consolidated financial statements set forth in Part II, Item 8. “Financial Statements and Supplementary Data.”

Fixed Asset Capitalization and Depreciation Policies

We define fixed assets as certain property and equipment with economic useful lives that extend beyond a year. Such fixed assets are stated at cost. For a significant amount of our property and equipment, cost was determined at the acquisition date based on estimated fair values. We acquired Bronco Billy’s in May 2016, Silver Slipper in October 2012, Rising Star in April 2011, and Stockman’s in January 2007. Project development costs, which are amounts expended on the pursuit of new business opportunities, acquisition-related costs, as well as other business development activities in the ordinary course of business, are expensed as incurred. Maintenance and repairs that neither materially add to the value of the property nor appreciably prolong its life are also expensed as incurred. Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the assets. For our constructed assets, we capitalize direct costs of the project, including fees paid to architects and contractors and property taxes. Salaries are capitalized only for employees working directly on the project. In addition, interest cost associated with major development and construction projects is capitalized as part of the cost of the project. Interest is typically capitalized on amounts expended on the project using the weighted-average cost of our outstanding borrowings. Capitalization of interest starts when construction activities begin and ceases when construction is substantially complete or development activity is suspended for more than a brief period.

We must make estimates and assumptions when accounting for capital expenditures. Whether an expenditure is considered a maintenance expense or a capital asset is sometimes a matter of judgment. When constructing or purchasing assets, we must determine whether existing assets are being replaced or otherwise impaired, which also may be a matter of judgment. In addition, our depreciation expense is highly dependent on the assumptions we make about our assets' estimated useful lives. We determine the estimated useful lives based on our experience with similar assets, engineering studies, and our estimate of the usage of the asset. Whenever events or circumstances occur, which would change the estimated useful life of an asset, we account for the change prospectively. The depreciation expense for tax purposes follows different rules than under GAAP and can sometimes result in a significantly different depreciation schedule.

Income Taxes

We are subject to federal and state taxes in the United States. Significant judgment is required in determining our provision for income taxes, our deferred tax assets and liabilities, and any valuation allowance recorded against our net DTAs. Such valuation allowance was $35.6 million for 2024 and $24.0 million for 2023. We make estimates and judgments about our future taxable income that are based on assumptions consistent with our future plans. Tax laws, regulations, and administrative practices may be subject to change due to economic or political conditions, including fundamental changes to the applicable tax laws.

Our income tax returns are subject to examination by the IRS and other tax authorities. Positions taken in tax returns are sometimes subject to uncertainty in the tax laws and may not ultimately be accepted by the IRS or other tax authorities. We assess our tax positions using a two-step process. A tax position is recognized if it meets a "more likely than not" threshold. It is then measured at the largest amount of benefit that is greater than 50 percent likely of being realized. Additionally, we recognize accrued interest and penalties, if any, related to unrecognized tax benefits in income tax expense. For further discussion of income taxes, see Note 9 to the consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data."

Recently Issued Accounting Pronouncements Not Yet Adopted

See Note 2 to the consolidated financial statements set forth in Part II, Item 8. "Financial Statements and Supplementary Data" for a discussion of recently issued accounting pronouncements not yet adopted.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

As a smaller reporting company during the year ended December 31, 2024, as defined by Rule 12b-2 of the Exchange Act, we are not required to provide the information required by this Item.

Item 8. Financial Statements and Supplementary Data.

Financial Statements:		**Page**
Report of Independent Registered Public Accounting Firm on Internal Control over Financial Reporting (PCAOB ID 34)		55
Report of Independent Registered Public Accounting Firm on Consolidated Financial Statements		56
Consolidated Statements of Operations for each of the two years in the period ended December 31, 2024		58
Consolidated Balance Sheets at December 31, 2024 and 2023		59
Consolidated Statements of Stockholders' Equity for each of the two years in the period ended December 31, 2024		60
Consolidated Statements of Cash Flows for each of the two years in the period ended December 31, 2024		61
Notes to Consolidated Financial Statements:		63
Note 1	Organization	63
Note 2	Basis of Presentation and Summary of Significant Accounting Policies	64
Note 3	Assets Held for Sale	72
Note 4	Property and Equipment, Net	72
Note 5	Goodwill and Other Intangibles	73
Note 6	Other Accrued Liabilities	75
Note 7	Long-Term Debt	75
Note 8	Leases	78
Note 9	Income Taxes	82
Note 10	Commitments and Contingencies	84
Note 11	Stock-Based Compensation	85
Note 12	Segment Reporting	87

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Full House Resorts, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Full House Resorts, Inc. 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, the Company maintained, in all material respects, 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 11, 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 Annual 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.

/s/ Deloitte & Touche LLP

Las Vegas, Nevada
March 11, 2025

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Full House Resorts, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Full House Resorts, Inc. and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations, stockholders' equity, and cash flows, for each of the two 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 two 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 11, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

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 — Refer to Notes 2 and 5 of the financial statements

Critical Audit Matter Description

The Company tests goodwill for impairment annually or more frequently if indicators of impairment exist, by comparing the fair value of each reporting unit to its carrying value.

The Company determines the fair value of its reporting units using the discounted cash flow model and the market approach. The determination of the fair value using the discount cash flow model requires management to make significant estimates and assumptions related to (1) the expected cash flows and projected financial results, including forecasted revenues and expenses (collectively the "forecasts"), and (2) discount rates. The determination of the fair value using the market approach requires management to make significant assumptions related to the selection of valuation multiples. The fair value of the Bronco Billy's Casino reporting unit exceeded its carrying value as of the measurement date and, therefore, no impairment was recognized.

We identified goodwill for the Bronco Billy's Casino reporting unit as a critical audit matter because of the significant assumptions and estimates management makes to estimate the fair value of the reporting unit and the sensitivity of those assumptions to the fair value determination. This required a higher degree of auditor judgment, increased level of audit effort, use of more experienced audit professionals, as well as the involvement of our fair value specialists, when performing audit procedures related to forecasts and selection of discount rates and valuation multiples.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to management's forecasts, discount rates and valuation multiples used by management to determine the fair value of the Company's Bronco Billy's Casino reporting unit included the following, among others:

- We tested the effectiveness of controls over determining the fair value of the Company's Bronco Billy's Casino reporting unit, including controls over the forecasts, discount rates, and valuation multiples.
- We evaluated the reasonableness of the assumptions and estimates included in management's forecasts by:
    - Comparing the forecasts to (1) historical results, (2) information included in the Company's communications to the Board of Directors, and (3) forecasted information included in industry and analyst reports for the Company and certain companies in its peer group.
    - Evaluating the impact of changes in the regulatory environment on management's projections.
    - Conducting inquiries with management.
    - Assessing the reasonableness of strategic plans incorporated by management into the projections.
    - Evaluating whether the forecasts were consistent with evidence obtained in other areas of the audit.
- With the assistance of our valuation specialists, we evaluated the discount rate and valuation multiples selected by management 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 valuation multiples.
    - Developing a range of independent estimates and comparing those to valuation multiples selected by management.

/s/ Deloitte & Touche LLP

Las Vegas, Nevada
March 11, 2025

We have served as the Company's auditor since 2019.

FULL HOUSE RESORTS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share data)

	Year Ended December 31,	
	2024	**2023**
Revenues		
Casino	$ 216,880	$ 176,933
Food and beverage	41,871	33,980
Hotel	15,709	9,428
Other operations, including contracted sports wagering	17,605	20,719
	292,065	241,060
Operating costs and expenses		
Casino	86,151	68,061
Food and beverage	43,582	33,240
Hotel	10,306	4,840
Other operations	2,130	3,498
Selling, general and administrative	104,121	85,746
Project development costs	368	53
Preopening costs	2,464	15,685
Depreciation and amortization	42,101	31,092
Loss on disposal of assets	18	7
Gain on sale of Stockman's	(1,926)	—
	289,315	242,222
Operating income (loss)	2,750	(1,162)
Other (expense) income		
Interest expense, net	(43,201)	(22,977)
Other	—	384
	(43,201)	(22,593)
Loss before income taxes	(40,451)	(23,755)
Income tax expense	221	1,149
Net loss	$ (40,672)	$ (24,904)
Basic loss per share	$ (1.16)	$ (0.72)
Diluted loss per share	$ (1.16)	$ (0.72)
Basic weighted average number of common shares outstanding	34,964,595	34,519,993
Diluted weighted average number of common shares outstanding	34,964,595	34,519,993

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

FULL HOUSE RESORTS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	December 31,	
	2024	**2023**
ASSETS		
Current assets		
Cash and equivalents	$ 40,221	$ 36,155
Restricted cash	—	37,639
Accounts receivable, net	5,101	5,332
Inventories	2,088	1,839
Prepaid expenses and other	3,516	3,674
Assets held for sale	2,486	—
	53,412	84,639
Property and equipment, net	446,674	457,907
Operating lease right-of-use assets, net	55,957	44,704
Finance lease right-of-use assets, net	976	2,318
Goodwill	19,477	21,286
Other intangible assets, net	96,133	76,271
Deposits and other	705	1,332
	$ 673,334	$ 688,457
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 9,193	$ 12,794
Income taxes payable	—	489
Construction payable	6,919	20,667
Accrued payroll and related	6,435	4,097
Accrued interest	14,270	14,248
Other accrued liabilities	24,716	19,779
Current portion of operating lease obligations	4,226	4,784
Current portion of finance lease obligations	1,610	1,694
Liabilities related to assets held for sale	86	—
	67,455	78,552
Operating lease obligations, net of current portion	52,324	40,248
Finance lease obligations, net of current portion	1,095	2,705
Other long-term liabilities, net of current portion	37,328	16,075
Long-term debt, net	468,139	465,153
Deferred income taxes, net	1,946	1,684
Contract liabilities, net of current portion	4,550	6,192
	632,837	610,609
Commitments and contingencies (Note 10)		
Stockholders' equity		
Common stock, $0.0001 par value, 100,000,000 shares authorized; 35,648,668 and 35,302,549 shares issued and 35,648,668 and 34,590,150 shares outstanding	4	4
Additional paid-in capital	115,781	113,329
Treasury stock; 712,399 common shares at December 31, 2023	—	(869)
Accumulated deficit	(75,288)	(34,616)
	40,497	77,848
	$ 673,334	$ 688,457

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

FULL HOUSE RESORTS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands)

	Common Stock		Additional Paid-in	Treasury Stock		Accumulated	Total Stockholders'
	Shares	Dollars	Capital	Shares	Dollars	Deficit	Equity
Balances, January 1, 2023	35,302	$ 4	$ 110,590	895	$ (1,091)	$ (9,712)	$ 99,791
Net loss	—	—	—	—	—	(24,904)	(24,904)
Issuance of stock on options exercised and restricted stocks vested	—	—	(143)	(183)	222	—	79
Stock-based compensation	—	—	2,882	—	—	—	2,882
Balances, December 31, 2023	35,302	4	113,329	712	(869)	(34,616)	77,848
Net loss	—	—	—	—	—	(40,672)	(40,672)
Issuance of stock on options exercised and restricted stocks vested	347	—	(421)	(712)	869	—	448
Stock-based compensation	—	—	2,873	—	—	—	2,873
Balances, December 31, 2024	35,649	$ 4	$ 115,781	—	$ —	$ (75,288)	$ 40,497

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

FULL HOUSE RESORTS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31,	
	2024	**2023**
Cash flows from operating activities:		
Net loss	$ (40,672)	$ (24,904)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	42,101	31,092
Amortization of debt issuance costs, discounts and premiums	2,987	2,793
Non-cash change in ROU operating lease assets	2,770	3,586
Stock-based compensation	2,873	2,882
Loss on disposal of assets	18	7
Gain on sale of Stockman's	(1,926)	—
Provision for credit losses	212	940
Other	—	122
Deferred income taxes	262	660
Increases and decreases in operating assets and liabilities:		
Accounts receivable	19	(2,190)
Prepaid expenses, inventories and other	(91)	2,150
Income taxes payable	(489)	489
Operating lease liabilities	(2,505)	(3,390)
Contract liabilities	(1,963)	1,889
Accounts payable and other liabilities	10,249	6,219
Net cash provided by operating activities	13,845	22,345
Cash flows from investing activities:		
Capital expenditures	(52,582)	(148,585)
Proceeds from sale of Stockman's	7,000	—
Acquisition of intangible assets	(1)	(50,528)
Other	(87)	355
Net cash used in investing activities	(45,670)	(198,758)
Cash flows from financing activities:		
Proceeds from Senior Secured Notes due 2028 borrowings	—	40,000
Payment of debt discount and issuance costs	—	(6,493)
Borrowings under revolving credit facility	13,000	42,950
Repayment of revolving credit facility borrowings	(13,000)	(15,950)
Repayment of finance lease obligations	(1,694)	(1,477)
Proceeds from exercise of stock options	448	79
Other	(252)	(78)
Net cash (used in) provided by financing activities	(1,498)	59,031
Net decrease in cash, cash equivalents and restricted cash, including cash classified within current assets held for sale	(33,323)	(117,382)
Less: cash classified within current assets held for sale	(250)	—
Net decrease in cash, cash equivalents and restricted cash	(33,573)	(117,382)
Cash, cash equivalents and restricted cash, beginning of period	73,794	191,176
Cash, cash equivalents and restricted cash, end of period	$ 40,221	$ 73,794

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

FULL HOUSE RESORTS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS – (Continued)
(In thousands)

	Year Ended December 31,	
	2024	**2023**
Supplemental Cash Flow Disclosure:		
Cash paid for interest, net of amounts capitalized	$ 39,184	$ 22,463
Cash paid for income taxes	895	—
Supplemental Schedule of Non-Cash Investing and Financing Activities:		
Payables and accruals incurred for capital expenditures	$ 5,264	$ 22,507
Note payable incurred for asset acquisition	—	1,500
Accrued liability related to asset acquisition	19,961	14,905
Right-of-use assets obtained in exchange for lease liabilities:		
Operating leases	—	30,178
Right-of-use asset and liability remeasurements:		
Operating leases	14,023	2,341
Financing leases	—	(150)

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

FULL HOUSE RESORTS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION

Formed as a Delaware corporation in 1987, Full House Resorts, Inc. owns, leases, operates, develops, manages, and/or invests in casinos and related hospitality and entertainment facilities. References in this document to "Full House," the "Company," "we," "our," or "us" refer to Full House Resorts, Inc. and its subsidiaries, except where stated or the context otherwise indicates.

The following table identifies our segments, along with properties and their locations as of December 31, 2024:

Segments and Properties	Locations
Midwest & South	
American Place*	Waukegan, IL (northern suburb of Chicago)
Silver Slipper Casino and Hotel ("Silver Slipper")	Hancock County, MS (near New Orleans)
Rising Star Casino Resort ("Rising Star")	Rising Sun, IN (near Cincinnati)
West	
Bronco Billy's Casino ("Bronco Billy's") and Chamonix Casino Hotel ("Chamonix")*	Cripple Creek, CO (near Colorado Springs)
Grand Lodge Casino ("Grand Lodge"), leased and part of the Hyatt Regency Lake Tahoe Resort, Spa and Casino	Incline Village, NV (North Shore of Lake Tahoe)
Stockman's Casino ("Stockman's"), held for sale starting August 2024	Fallon, NV (one hour east of Reno)
Contracted Sports Wagering	
One active sports wagering website ("skin"), plus two others that are currently idle	Colorado
One active sports wagering website ("skin"), plus two others that are currently idle	Indiana
One active sports wagering website ("skin"), commenced in August 2023	Illinois

* The temporary American Place facility opened on February 17, 2023. Chamonix opened in phases between December 2023 and October 2024.

The Company currently operates seven casinos: six on real estate that we own or lease, and one located within a hotel owned by a third party. Additionally, we benefit from three active permitted sports wagering skins – one each in Colorado, Indiana, and Illinois.

In February 2023, we opened our temporary American Place facility, which we are permitted to operate until August 2027. We have begun the design work for the permanent gaming resort facility that we plan to build on adjoining land.

In August 2024, we entered into an agreement to sell Stockman's to a privately owned company (see Note 3).

In October 2024, we completed the phased opening of Chamonix, our newest property, located adjacent to our existing Bronco Billy's Casino.

For additional information about the Company's segments, see Note 12.

2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Accounting. The consolidated financial statements include the accounts of Full House and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated.

Except when otherwise required by accounting principles generally accepted in the United States of America ("GAAP") and disclosed herein, the Company measures all of its assets and liabilities on the historical cost basis of accounting.

Use of Estimates. The consolidated financial statements have been prepared in conformity with GAAP. These principles require the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value and the Fair Value Input Hierarchy. Fair value measurements affect the Company's accounting for net assets acquired in acquisition transactions and certain financial assets and liabilities. Fair value measurements are also used in its periodic assessments of long-lived tangible and intangible assets for possible impairment, including for property and equipment, goodwill, and other intangible assets. Fair value is defined as the expected 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.

GAAP categorizes the inputs used for fair value into a three-level hierarchy:

- Level 1: Observable inputs, such as quoted prices in active markets for identical assets or liabilities;
- Level 2: Comparable inputs, other than quoted prices, that are observable for similar assets or liabilities in less active markets; and
- Level 3: Unobservable inputs, which may include metrics that market participants would use to estimate values, such as revenue and earnings multiples and relative rates of return.

Methods and assumptions used to estimate the fair value of financial instruments are affected by the duration of the instruments and other factors used by market participants to estimate value. The carrying amounts for cash and equivalents, restricted cash, accounts receivable, and accounts payable approximate their estimated fair value because of the short durations of the instruments and inconsequential rates of interest.

Cash Equivalents and Restricted Cash. Cash equivalents include cash involved in operations and cash in excess of daily requirements that is invested in highly liquid, short-term investments with initial maturities of three months or less when purchased.

Restricted cash balances consisted of funds placed into a construction reserve account to fund the completion of the Chamonix construction project, in accordance with the Company's debt covenants. Chamonix began its phased opening in December 2023 and completed its opening in October 2024. Accordingly, there are no restrictions on any cash balances at December 31, 2024.

Accounts Receivable and Credit Risk. Accounts receivable consist primarily of casino, hotel, certain sports wagering contracts that previously paid us in arrears, and other receivables. Accounts receivable are typically non-interest bearing, recorded initially at cost, and are carried net of an appropriate reserve to approximate fair value. Loss reserves are estimated based on specific review of customer accounts including the customers' willingness and ability to pay and nature of collateral, if any, as well as historical collection experience and current and expected economic and business conditions. Accounts are written off when management deems the account to be uncollectible and recoveries of accounts previously written off are recorded when received.

Accounts receivable consists of the following:

(In thousands)	December 31, 2024	December 31, 2023
Casino	$ 653	$ 343
Trade Accounts	2,898	3,479
Other Operations, excluding Contracted Sports Wagering	144	185
Contracted Sports Wagering[1]	1,017	1,932
Other	527	582
	5,239	6,521
Less: Provision for credit losses	(138)	(1,189)
	$ 5,101	$ 5,332

(1) Starting in July 2024, annual prepayments of contracted revenue are now required in all of the Company's active sports wagering contracts.

The following table shows the movement in the provision for credit losses recognized for accounts receivable that occurred during the period:

(In thousands)	2024	2023
Balance at January 1	$ 1,189	$ 249
Current period provision for credit losses	212	940
Write-offs	(1,263)	—
Balance at December 31	$ 138	$ 1,189

At December 31, 2024, estimated loss reserves reflect activity related to two online sports wagering agreements, which remain active in Colorado and Indiana (until their next anniversaries in 2025, as subsequently amended). In July 2024, the Company's respective subsidiaries in Colorado and Indiana each amended its respective sports wagering agreement, resulting in collections totaling $2.1 million. Specifically, these amendments settled overdue payments owed to the Company, reduced certain future annual amounts due to the Company under the sports wagering agreements, and required such annual fees to be paid in advance of each annual term. Except as set forth in the respective amendments, all other terms of the sports wagering agreements remained in full force and effect in 2024.

Management regularly evaluates the adequacy of the Company's recorded reserves. At December 31, 2024, we believe that no significant concentrations of credit risk existed for which a reserve had not already been recorded.

Inventories. Inventories consist primarily of food, beverage and retail items, and are stated at the lower of cost or net realizable value. Costs are determined using the first-in, first-out and the weighted average methods.

Property and Equipment. Property and equipment are stated at cost and are capitalized and depreciated, while normal repairs and maintenance are expensed in the period incurred. A significant amount of the Company's property and equipment was acquired through business combinations, and therefore, were recognized at fair value measured at the acquisition date. Gains or losses on dispositions of property and equipment are included in operating expenses, effectively as adjustments to depreciation estimates.

Certain events or changes in circumstances may indicate that the recoverability of the carrying amount of property, plant and equipment should be assessed, including, among others, a significant decrease in market value, a significant change in the business climate in a particular market, or a current period operating or cash flow loss combined with historical losses or projected future losses. For assets to be held and used, the Company reviews for impairment whenever indicators of impairment exist. When such events or changes in circumstances are present, the Company estimates the future cash flows expected to result from the use of the asset (or asset group) and its eventual disposition. These estimated future cash flows are consistent with those we use in our internal planning. If the undiscounted cash flows exceed the carrying value, no impairment is indicated. If the sum of the expected future cash flows (undiscounted and without interest charges) is less than the carrying amount, then the Company would recognize an impairment loss based on the fair value of the asset, typically measured using a discounted cash flow model.

Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets or the term of the lease, whichever is appropriate under the circumstances. The Company determines the estimated useful lives based on our experience with similar assets, estimated usage of the asset, and industry practice. Whenever events or circumstances occur, which change the estimated useful life of an asset, the Company accounts for the change prospectively.

Depreciation and amortization is provided over the following estimated useful lives:

Class of Assets	Estimated Useful Lives
Land improvements	10 to 18 years
Buildings and improvements	3 to 44 years
Furniture, fixtures and equipment	2 to 10 years

Capitalized Interest. Interest costs associated with major construction projects are capitalized and included in the cost of the projects. When no debt is incurred specifically for construction projects, interest is capitalized on amounts expended using the weighted average cost of the Company's outstanding borrowings. Capitalization of interest ceases when the project is substantially complete or construction activity is suspended for more than a brief period.

Leases. The Company determines if a contract is, or contains, a lease at inception or modification of the agreement. A contract is, or contains, a lease if there are identified assets and the right to control the use of an identified asset is conveyed for a period of time in exchange for consideration. Control over the use of the identified asset means that the lessee has both the right to obtain substantially all of the economic benefits from the use of the asset and the right to direct the use of the asset.

For material leases with terms greater than a year, the Company records right-of-use ("ROU") assets and lease liabilities on the balance sheet, as measured on a discounted basis. For finance leases, the Company recognizes interest expense associated with the lease liability, as well as depreciation (or amortization) expense associated with the ROU asset, depending on whether those ROU assets are expected to transfer to the Company upon lease expiration. If ownership of a finance lease ROU asset is expected to transfer to the Company upon lease expiration, then it is included with the Company's property and equipment; other qualifying finance lease ROU assets, based on other classifying criteria under Accounting Standards Codification 842 ("ASC 842"), are disclosed separately on their own line, "Finance Lease Right-of-Use Assets, Net." For operating leases, the Company recognizes straight-line rent expense.

The Company does not recognize ROU assets or lease liabilities for leases with a term of 12 months or less. However, costs related to short-term leases with terms greater than one month, which the Company deems material, are disclosed as a component of lease expenses when applicable. Additionally, the Company accounts for new and existing leases containing both lease and non-lease components ("embedded leases") together as a single lease component by asset class for gaming-related equipment; as a result, the Company will not allocate contract consideration to the separate lease and non-lease components based on their relative standalone prices.

Finance and operating lease ROU assets and liabilities are recognized based on the present value of future minimum lease payments over the expected lease term at commencement, plus any qualifying initial direct costs paid prior to commencement for ROU assets. As the implicit rate is not determinable in most of the Company's leases, management uses the Company's incremental borrowing rate in determining the present value of future payments based on the information available at the commencement date and/or modification date. The expected lease terms include options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options. Lease expense for minimum lease payments is recognized on a straight-line basis over the expected lease term for operating leases. For finance leases, the ROU asset depreciates/amortizes on a straight-line basis over the shorter of the lease term or useful life of the ROU asset as applicable, and the lease liability accretes interest based on the interest method using the discount rate determined at such lease commencement or modification.

Goodwill and Indefinite-lived Intangible Assets. Goodwill represents the excess of the purchase price of Bronco Billy's, Silver Slipper, and Stockman's over the estimated fair value of their net tangible and other intangible assets on the acquisition date, net of subsequent impairment charges, if any. The Company's other indefinite-lived intangible assets primarily include certain license rights to conduct gaming in certain jurisdictions and trade names. Goodwill and other indefinite-lived intangible assets are not amortized, but are periodically tested for impairment. The impairment loss recognized is the amount by which the carrying amount exceeds the fair value.

Tests of goodwill and indefinite-lived intangible assets start with a qualitative assessment to determine whether it is necessary to perform a quantitative test. 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, then a quantitative test is performed.

For indefinite-lived intangible assets, if quantitative tests are performed, the value of the gaming license rights is determined using a multi-period excess earnings method, which is a specific discounted cash flow model.

For goodwill, if quantitative tests are performed, the Company estimates the fair value of the reporting unit utilizing a weighted average allocation of both the income approach (discounted cash flow method) and a market-based approach that utilizes a comparison of the reporting unit to comparable publicly-traded companies and transactions and, based on the observed business enterprise value multiples, ultimately selects market multiples to apply to the reporting unit.

The determination of fair value under the income approach requires the use of significant estimates about expected revenues and operating profit, as well as discount rates to determine the estimated fair value. Changes in the assumptions can materially affect these estimates. Thus, to the extent that gaming volumes deteriorate in the future, discount rates increase significantly, or reporting units do not meet projected performance, the Company could have impairment losses in the future and such amounts could be material. These tests for impairment are performed annually during the fourth quarter or when a triggering event occurs.

Finite-lived Intangible Assets. The Company's finite-lived intangible assets primarily include land lease acquisition costs and water rights. Finite-lived intangible assets are amortized over the shorter of their contractual or economic lives. The Company periodically evaluates the remaining useful lives of these intangible assets to determine whether events and circumstances warrant a revision to the remaining period of amortization and the possible need for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If the sum of the expected future cash flows (undiscounted and without interest charges) is less than the carrying amount, then the Company would recognize an impairment loss.

Debt Issuance Costs and Debt Discounts/Premiums. Debt issuance costs and debt discounts/premiums incurred in connection with the issuance of debt have been included as a component of the carrying amount of debt, and are amortized/accreted over the contractual term of the debt to interest expense, using the straight-line method, which approximates the effective interest method. When its existing debt agreements are determined to have been modified, the Company amortizes such costs to interest expense using the effective interest method over the terms of the modified debt agreement.

Revenue Recognition:

Accrued Club Points and Customer Loyalty Programs: Operating Revenues and Related Costs and Expenses. The Company's revenues consist primarily of casino gaming, food and beverage, hotel, and other revenues (such as sports wagering, golf, RV park operations, and entertainment). The majority of its revenues are derived from casino gaming, principally slot machines.

The transaction price for a casino wager is the difference between gaming wins and losses, not the total amount wagered. As such wagers have similar characteristics, the Company accounts for its gaming transactions on a portfolio basis by recognizing net win per gaming day versus on an individual basis.

The Company sometimes provides discretionary complimentary goods and services ("discretionary comps"). For these types of transactions, the Company allocates revenue to the department providing the complimentary goods or services based upon its estimated standalone selling price, offset by a reduction in casino revenues.

Many of the Company's customers choose to earn points under its customer loyalty programs. The Company's properties have separate customer loyalty programs: the Slipper Rewards Club, the Bronco Billy's / Chamonix Casino's Mile High Rewards Club, the Rising Star VIP Club, the Grand Lodge Players Advantage Club, the Stockman's Winner's Club, and American Place's Legacy Rewards. As points are accrued, the Company defers a portion of its gaming revenue based on the estimated standalone value of loyalty points being earned by the customer. The standalone value of loyalty points is derived from the retail value of food, beverages, hotel rooms, and other goods or services for which such points may be redeemed. A liability related to these customer loyalty points is recorded, net of estimated breakage and other factors, until the customer redeems these points under such loyalty programs for various benefits, such as "free casino play," complimentary dining, or hotel stays, among others, depending on each property's specific offers. Upon redemption, the related revenue is recognized at retail value within the department providing the goods or services. Unredeemed points are forfeited if the customer becomes and remains inactive for a specified period of time. Liabilities based on the standalone retail value of such benefits were approximately $0.9 million at December 31, 2024 and $0.8 million at December 31, 2023, and these amounts are included in "other accrued liabilities" on the consolidated balance sheets.

Revenue for food and beverage, hotel, and other revenue transactions, as described in "Other Revenues" below, includes the retail value of (i) discretionary comps and (ii) comps provided in return for redemption of loyalty points. Additionally, the Company may collect deposits in advance for future hotel reservations or entertainment, among other services, which represent obligations of the Company until the service is provided to the customer.

Deferred Revenues: Market Access Fees from Sports Wagering Agreements. The Company entered into several agreements with various unaffiliated companies allowing for online sports wagering within Indiana, Colorado and Illinois, as well as on-site sports wagering at American Place (the "Sports Agreements"). As part of these long-term Sports Agreements, the Company received one-time "market access" fees, which are recorded as long-term liabilities and then recognized as revenue ratably over the initial contract terms (or as accelerated due to early termination), beginning with the earlier of operations commencement or contractual commencement. In the third quarter of 2023, one of the Company's contracted parties ceased online operations in Indiana and Colorado. Accordingly, this accelerated the revenue recognition of $1.5 million in related market access fees, which was recognized in the third quarter of 2023. Another contracted party ceased online operations in Colorado during the second quarter of 2024, resulting in $0.9 million of accelerated revenue from market access fees.

Indiana. Under the Company's one active Sports Agreement in Indiana that commenced in December 2021, we receive a percentage of revenues (as defined), subject to an annualized minimum amount. Additionally, a $1.0 million market access fee, received upon signing of the agreement, is being amortized over the initial 10-year term of the agreement. In July 2024, the agreement was amended to settle overdue payments and to reduce future annual amounts for the remainder of the initial term, which resulted in annualized straight-line revenues of $0.5 million through the remainder of the current term. In January 2025, such operator gave notice that it was discontinuing operations in Indiana prior to its next anniversary in December 2025.

Colorado. Similarly in Colorado, under the Company's one active Sports Agreement that commenced in June 2020, we receive a percentage of revenues (as defined), subject to an annualized minimum amount. Additionally, a $1.0 million market access fee, received upon signing of the agreement, is being amortized over the initial 10-year term of the agreement. In July 2024, the agreement was amended to settle overdue payments and to reduce future annual amounts for the remainder of the initial term, which resulted in annualized straight-line revenues of $0.5 million through the remainder of the current term. In January 2025, such operator gave notice that it was discontinuing operations in Colorado prior to its next anniversary in June 2025.

Illinois. Under the Company's Sports Agreement in Illinois, we receive a percentage of revenues (as defined), subject to a minimum of $5.0 million per year. A market access fee of $5.0 million is being amortized over the eight-year term of the Sports Agreement, which began its contractual term in August 2023.

In addition to the market access fees, deferred revenue includes annual prepayments of contracted revenue. With the July 2024 amendment of two Sports Agreements, all of the Company's active Sports Agreements require the prepayment of contracted revenue.

Deferred revenues consisted of the following as discussed above:

(In thousands)		**December 31,**	
	Balance Sheet Location	**2024**	**2023**
Deferred revenue, current	Other accrued liabilities	$ 5,854	$ 6,175
Deferred revenue, net of current portion	Contract liabilities, net of current portion	4,550	6,192
		$ 10,404	$ 12,367

Other Revenues. The transaction price of rooms, food and beverage, and retail contracts is the net amount collected from the customer for such goods and services. The transaction price for such contracts is recorded as revenue when the good or service is transferred to the customer over their stay at the hotel or when the delivery is made for the food, beverage, retail and other contracts. Sales and usage-based taxes are excluded from revenues.

Revenue by Source. The Company presents earned revenue as disaggregated by the type or nature of the good or service (casino, food and beverage, hotel, and other operations comprised mainly of retail, golf, entertainment, and contracted sports wagering) and by relevant geographic region within Note 12.

Contract and Contract-Related Liabilities. There may be a difference between the timing of cash receipts from the customer and the recognition of revenue, resulting in a contract or contract-related liability. The Company generally has four types of liabilities related to contracts with customers: (1) outstanding chip liability, which represents the amounts owed in exchange for gaming chips held by a customer; (2) players club points, which represents the deferred allocation of revenue relating to loyalty program incentives earned; (3) contracted sports wagering, which represents payments received in advance from contracted parties relating to Sports Agreements to be recognized as revenue ratably over their respective initial contract terms; and (4) progressive jackpots and other, which represents accumulated slot jackpots not yet won, and includes unpaid wagers and advance payments on goods and services yet to be provided such as deposits on rooms and convention space. With the exception of noncurrent portions of deferred revenues from contracted sports wagering, these liabilities are generally expected to be recognized as revenue within one year of being purchased, earned, or deposited and are recorded within "Other accrued liabilities" on the consolidated balance sheets.

The following table summarizes the activity related to short-term and long-term contract and contract related liabilities:

(In thousands)	Outstanding Chip Liability		Players Club Points		Contracted Sports Wagering[1]		Progressive Jackpots and Other	
	2024	2023	2024	2023	2024	2023	2024	2023
Balance at January 1	$ 527	$ 416	$ 765	$ 710	$ 12,367	$ 10,507	$ 4,477	$ 2,843
Balance at December 31	683	527	930	765	10,404	12,367	5,767	4,477
Increase / (Decrease)	$ 156	$ 111	$ 165	$ 55	$ (1,963)	$ 1,860	$ 1,290	$ 1,634

(1) There were three active skins at December 31, 2024, compared to four active skins at December 31, 2023.

Advertising Costs. Costs for advertising are expensed as incurred, or the first time the advertising takes place, and are included in selling, general and administrative expenses. Total advertising costs were $8.4 million and $8.5 million for the years ended December 31, 2024 and 2023, respectively.

Project Development and Acquisition Costs. Project development and acquisition costs consist of amounts expended on the pursuit of new business opportunities and acquisitions, as well as other business development activities in the ordinary course of business, which are expensed as incurred.

Preopening costs. Preopening costs are related to the preopening phases of new ventures, in accordance with accounting standards regarding start-up activities, and are expensed as incurred. These costs consist of payroll, advertising, outside services, organizational costs and other expenses directly related to both the Chamonix and American Place developments.

Stock-based Compensation. The Company has various stock-based compensation programs, which provide for equity awards including stock options, time-based restricted stock and performance-based restricted stock. Stock-based compensation costs are measured at the grant date, based on the estimated fair value of the award using the Black-Scholes option pricing model for stock options, and based on the closing share price of the Company's stock on the grant date for restricted and performance stock. These costs are recognized as an expense on a straight-line basis over the recipient's requisite service period (the vesting period of the award), net of forfeitures and cancellations, which are recognized as they occur, and are included within selling, general and administrative expense on the consolidated statements of operations.

Estimated compensation costs for performance stock, in particular, reflect meeting certain growth-rate targets for the applicable year-to-date period and may be subject to partial or full reversals in the current or following year if not completely met at year-end.

Income Taxes. We classify deferred tax assets and liabilities, along with any related valuation allowance, as non-current on the consolidated balance sheets. 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. 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 included the enactment date. Valuation allowances are provided against deferred tax assets when it is deemed "more likely than not" that some portion or all of the deferred tax assets will not be realized within a reasonable time period.

Our income tax returns are subject to examination by the Internal Revenue Service ("IRS") and other tax authorities. Positions taken in tax returns are sometimes subject to uncertainty in the tax laws and may not ultimately be accepted by the IRS or other tax authorities. We assess our tax positions using a two-step process. A tax position is recognized if it meets a "more likely than not" threshold, and is measured at the largest amount of benefit that is greater than 50 percent likely of being realized. Additionally, we recognize accrued interest and penalties, if any, related to unrecognized tax benefits in income tax expense.

Reclassifications. To conform to the current-period presentation, the Company made certain minor financial statement presentation reclassifications to prior-period amounts. Such reclassifications had no effect on the previously reported results of operations or financial position.

Earnings (loss) per share. Earnings (loss) per share is computed by dividing net income (loss) applicable to common stock by the weighted-average number of common shares outstanding during the period. Diluted earnings per share reflects the additional dilution for all potentially-dilutive securities, including stock options, restricted stock and performance-based shares, using the treasury stock method.

(In thousands)	Year Ended December 31,	
	2024	**2023**
Numerator:		
Net loss ─ basic	$ (40,672)	$ (24,904)
Net loss ─ diluted	$ (40,672)	$ (24,904)
Denominator:		
Weighted-average common shares ─ basic	34,965	34,520
Potential dilution from share-based awards	—	—
Weighted-average common and common share equivalents ─ diluted	34,965	34,520
Anti-dilutive share-based awards excluded from the calculation of diluted loss per share	3,876	4,015

Accounting Pronouncements:

ASU 2023-07, Segment Reporting, Topic 280, Improvements to Reportable Segment Disclosures ("Update 2023-07")
In November 2023, the FASB issued Update 2023-07 to improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. Update 2023-07 is to be applied retrospectively and is effective for financial statements issued for annual periods beginning after December 15, 2023, and interim periods beginning after December 15, 2024, with early adoption permitted. The Company adopted Update 2023-07 for the two annual periods ended December 31, 2024. See Note 12 for details.

ASU 2023-09, Income Taxes, Topic 740, Improvements to Income Tax Disclosures ("Update 2023-09")
In December 2023, the FASB issued Update 2023-09 to improve income tax disclosure requirements, primarily related to rate reconciliations and income taxes paid. Update 2023-09 is effective for financial statements issued for annual periods beginning after December 15, 2024, with early adoption permitted. The Company is evaluating the impact of the adoption of Update 2023-09 to the consolidated financial statements, and plans to adopt Update 2023-09 for its annual period ending December 31, 2025.

ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures, Subtopic 220-40, Disaggregation of Income Statement Expenses ("Update 2024-03")
In November 2024, the FASB issued Update 2024-03, which expands disclosures about specific expense categories presented on the face of the income statement. Update 2024-03 is effective for financial statements issued for annual periods beginning after December 15, 2026, with early adoption permitted. The Company is evaluating the impact of the adoption of Update 2024-03 to the consolidated financial statements.

A variety of proposed or otherwise potential accounting standards are currently being studied by standard-setting organizations and certain regulatory agencies. Because of the tentative and preliminary nature of such proposed standards, the Company believes that there are no other recently-issued accounting standards not yet effective that are currently likely to have a material impact on its financial statements.

3. ASSETS HELD FOR SALE

On August 28, 2024, the Company entered into an agreement to sell Stockman's for total gross proceeds of $9.2 million, plus certain expected working capital adjustments at closing. The sale was designed to be completed in two phases: the sale of Stockman's real property for $7.0 million, which closed on September 27, 2024; and the sale of certain remaining operating assets and related liabilities for $2.2 million (excluding any adjustments for working capital), upon the receipt of customary gaming approvals. Since the disposition of Stockman's is not expected to have a major effect on the Company's operations and financial results, such sale does not qualify for presentation as discontinued operations.

To accommodate the buyer while it seeks its gaming approvals, the Company is temporarily continuing to operate Stockman's under the West segment. Upon the second closing that is expected to occur in the first half of 2025, the Company will transfer all operations of Stockman's to the buyer. During 2024, the Company recognized a $1.9 million gain from the sale of Stockman's real property to operating income, net of $0.8 million in transaction costs.

The carrying amounts of Stockman's assets and liabilities held for sale consisted of the following:

(In thousands)	December 31, 2024
ASSETS	
Current assets	
Cash	$ 250
Inventories	45
Total current assets held for sale	295
Property and equipment, net	378
Goodwill	1,809
Other intangible assets, net	4
Total assets held for sale	$ 2,486
LIABILITIES	
Current liabilities	
Other accrued liabilities	$ 86
Total liabilities related to assets held for sale	$ 86

4. PROPERTY AND EQUIPMENT, NET

Property and equipment, net consisted of the following:

(In thousands)	December 31, 2024	December 31, 2023
Land and improvements	$ 35,644	$ 37,601
Buildings and improvements	444,513	256,722
Furniture and equipment	92,860	88,522
Construction in progress	15,922	188,841
	588,939	571,686
Less: Accumulated depreciation	(142,265)	(113,779)
	$ 446,674	$ 457,907

Property and equipment included assets under finance leases related to our hotel at Rising Star (see Note 8) are as follows:

(In thousands)	December 31, 2024	December 31, 2023
Leased land and improvements	$ 215	$ 215
Leased buildings and improvements	5,787	5,787
Leased furniture and equipment	1,133	1,133
	7,135	7,135
Less: Accumulated amortization	(2,890)	(2,726)
	$ 4,245	$ 4,409

5. GOODWILL AND OTHER INTANGIBLES

Goodwill:

The following table sets forth changes in the carrying value of goodwill by segment:

(In thousands)	Midwest & South	West	Contracted Sports Wagering	Total Goodwill, Net
Balance, January 1, 2023	$ 14,671	$ 6,615	$ —	$ 21,286
Account activity	—	—	—	—
Balance, December 31, 2023	14,671	6,615	—	21,286
Goodwill related to assets held for sale[(1)]	—	(1,809)	—	(1,809)
Balance, December 31, 2024	$ 14,671	$ 4,806	$ —	$ 19,477

(1) Related to assets held for sale at Stockman's (see Note 3 for details).

Other Intangible Assets:

The following tables set forth changes in the carrying value of intangible assets other than goodwill:

(In thousands)	December 31, 2024				
	Weighted Useful Life Remaining (in years)	Gross Carrying Value	Additions	Accumulated Amortization	Other Intangible Assets, Net
Land Lease and Water Rights	33.3	$ 1,420	$ —	$ (381)	$ 1,039
Development Agreement	4.3	275	—	(38)	237
Gaming Licenses	10.0	555	—	(26)	529
Gaming Licenses	Indefinite	72,443	19,961	—	92,404
Trade Names	Indefinite	1,800	—	—	1,800
Trademarks	Indefinite	124	—	—	124
		$ 76,617	$ 19,961	$ (445)	$ 96,133

(In thousands)	December 31, 2023				
	Weighted Useful Life Remaining (in years)	Gross Carrying Value	Additions	Accumulated Amortization	Other Intangible Assets, Net
Land Lease and Water Rights	34.3	$ 1,420	$ —	$ (346)	$ 1,074
Development Agreement	5.0	—	275	—	275
Gaming Licenses	Indefinite	7,843	65,155	—	72,998
Trade Names	Indefinite	1,800	—	—	1,800
Trademarks	Indefinite	121	3	—	124
		$ 11,184	$ 65,433	$ (346)	$ 76,271

There were no impairments to goodwill or other intangible assets during 2023 and 2024.

Land Lease Acquisition Costs and Water Rights. Upon its acquisition by the Company in 2012, Silver Slipper recognized intangible assets related to its lease agreement with Cure Land Company, LLC (see Note 8). The lease was valued at $970,000 and represents the excess fair value of the land over the estimated net present value of the land lease payments, and the water rights value of $450,000 represents the fair value of the water rights based upon market rates in Hancock County, Mississippi.

Development Agreement. Chamonix recognized an intangible asset related to its payment of $275,000 in 2023 under a 5-year agreement with a third party to design, develop, construct, and operate its high-end steakhouse under certain exclusivity provisions. Amortization began upon the commencement of operations in April 2024.

Gaming Licenses. Gaming licenses primarily represent the value of the license to conduct gaming in certain jurisdictions, which are subject to highly extensive regulatory oversight and, in some cases, a limitation on the number of licenses available for issuance. The values of gaming licenses were primarily estimated using a multi-period excess earning method of the income approach, which examines the economic returns contributed by the identified tangible and intangible assets of a company, and then isolates the excess return, which is attributable to the asset being valued, based on cash flows attributable to the gaming license.

During 2023, a gaming license payment of $50.3 million was required to open American Place. Starting on December 31, 2023, additional accruals were made to the estimated cost of such acquisition, reflecting the contingent component of an additional one-time gaming license fee in Illinois (see Note 10).

Trade Names. Trade names represent the value of the Bronco Billy's casino name, which has existed for approximately 33 years and provides brand recognition. The value was estimated using a relief-from-royalty method of the income approach based upon comparable trade name royalty agreements.

Current and Future Amortization. Intangible asset amortization expense was approximately $99,000 and $31,000 for the years ended December 31, 2024 and 2023, respectively.

Future amortization expense for intangible assets is as follows:

(In thousands)

For Years ending December 31,	Amortization Expense
2025	$ 139
2026	139
2027	139
2028	139
2029	101
Thereafter	1,148
	$ 1,805

6. OTHER ACCRUED LIABILITIES

Other accrued liabilities consisted of the following:

(In thousands)	December 31,	
	2024	**2023**
Contract and contract-related liabilities:		
Players club points and progressive jackpots	$ 5,219	$ 4,399
Outstanding chip liability	683	527
Unpaid wagers and other	488	338
Other gaming-related accruals	990	505
Contract liabilities, current	5,854	6,175
Other accrued liabilities:		
Gaming and other taxes	4,097	2,737
Real estate and personal property taxes	4,271	3,048
Professional fees	175	40
Short-term portion of note payable for asset acquisition	278	252
Other	2,661	1,758
	$ 24,716	$ 19,779

7. LONG-TERM DEBT

Senior Secured Notes due 2028. On February 12, 2021, the Company issued $310.0 million aggregate principal amount of 8.25% Senior Secured Notes due 2028 (the "2028 Notes") to refinance all of its prior notes and repurchase all of its outstanding warrants. Additionally, $180 million of bond proceeds were initially placed into a construction reserve account to fund construction of Chamonix, which was later increased to $221 million in January 2022 to reflect an expansion of the project. Such construction reserve account was effectively closed during the fourth quarter of 2024, as Chamonix's phased opening was completed in October 2024.

On February 7, 2022, the Company closed a private offering for an additional $100.0 million of Senior Secured Notes due 2028, which sold at a price of 102.0% of such principal amount. Proceeds from this sale were used: (i) to develop, equip and open the temporary American Place facility, which the Company intends to operate while it designs and constructs its permanent facility, (ii) to pay the transaction fees and expenses of such offer and sale, and (iii) for general corporate purposes. The additional notes from this sale were issued pursuant to the indenture, dated as of February 12, 2021 (the "Original Indenture"), to which the Company issued the $310.0 million of 2028 Notes described above. In connection with the issuance of the additional notes in February 2022, the Company and the subsidiary guarantors party to the Original Indenture also entered into three Supplemental Indentures with Wilmington Trust, National Association, as trustee.

On February 21, 2023, the Company issued an additional $40.0 million of senior secured notes (the "Additional Notes"), thereby increasing the outstanding borrowing under the 2028 Notes to $450.0 million (collectively, the "Notes"). Related to the issuance of the Additional Notes, the Company further amended the indenture governing the Notes (collectively, the "Amended Indenture") and amended its revolving credit facility. Proceeds from the offering of the Additional Notes, net of related expenses and discounts, were approximately $34 million and were used: (i) to open American Place, including the payment of related Illinois gaming license fees in March 2023, and (ii) for general corporate purposes. The Additional Notes are essentially identical to the 2028 Notes, as they are treated as a single series of senior secured debt securities with the 2028 Notes and also as a single class for all purposes under the Amended Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase.

The Notes bear interest at a fixed rate of 8.25% per year and mature on February 15, 2028. There is no mandatory debt amortization prior to the maturity date. Interest on the Notes is payable on February 15 and August 15 of each year.

The Notes are guaranteed, jointly and severally (such guarantees, the "Guarantees"), by each of the Company's restricted subsidiaries (collectively, the "Guarantors"). The Notes and the Guarantees are the Company's and the Guarantors' general senior secured obligations, subject to the terms of the Collateral Trust Agreement (as defined in the Amended Indenture), ranking senior in right of payment to all of the Company's and the Guarantors' existing and future debt that is expressly subordinated in right of payment to the Notes and the Guarantees, if any. The Notes and the Guarantees will rank equally in right of payment with all of the Company's and the Guarantors' existing and future senior debt.

The Notes contain representations and warranties, covenants, and restrictions on dividends customary for notes of this type. Mandatory prepayments, in whole or in part, of the Notes will be required upon the occurrence of certain events, including sales of certain assets (unless such net proceeds are reinvested in the business), upon certain changes of control, or if the Company were to have material unused funds in the construction disbursement account following the completion of Chamonix in October 2024. However, such was not the case for the Company at December 31, 2024.

The Company may redeem some or all of the Notes for cash at the following redemption prices:

Redemption Periods	Percentage Premium
February 15, 2024 to February 14, 2025	104.125 %
February 15, 2025 to February 14, 2026	102.063 %
February 15, 2026 and Thereafter	100.000 %

Revolving Credit Facility. On February 7, 2022, the Company entered into a First Amendment to Credit Agreement with Capital One, N.A. ("Capital One"), which, among other things, increased the borrowing capacity under the Company's Credit Agreement, dated as of March 31, 2021, from $15.0 million to $40.0 million. The amended $40.0 million senior secured revolving credit facility includes a letter of credit sub-facility and may be used for working capital and other ongoing general purposes.

On February 21, 2023, the Company entered into a Second Amendment to Credit Agreement with Capital One, which, among other things, increased the amount of additional indebtedness permitted under the Company's Credit Agreement from $25.0 million to $40.0 million (collectively, the "Credit Facility"). Such amendment permitted the issuance of the Additional Notes, as described above.

On March 5, 2025, the Company entered into a Third Amendment to Credit Agreement with Capital One, which extended the revolving credit facility's maturity date from March 31, 2026 to January 1, 2027.

The interest rate per annum applicable to loans under the Credit Facility is currently, at the Company's option, either (i) the Secured Overnight Financing Rate ("SOFR") plus a margin equal to 3.00% and a Term SOFR adjustment of 0.15%, or (ii) a base rate plus a margin equal to 2.00%. Terms regarding the annual commitment fee and customary letter of credit fees remain unchanged from the original Credit Agreement, dated as of March 31, 2021.

The Credit Facility is equally and ratably secured by the same assets and guarantees securing the Notes. The Company may make prepayments of any amounts outstanding under the Credit Facility (without any reduction of the revolving commitments) in whole or in part at any time without penalty.

The Credit Facility contains a number of negative covenants that, subject to certain exceptions, are substantially similar to the covenants contained in the Notes. The Credit Facility also requires compliance with a financial covenant as of the last day of each fiscal quarter, such that Adjusted EBITDA (as defined) for the trailing 12-month period must equal or exceed the utilized portion of the Credit Facility, if drawn. At December 31, 2024, the Company complied with this financial covenant and $27.0 million of borrowings remain outstanding under the Credit Facility.

Long-term debt consists of the following:

(In thousands)	**December 31,**	
	2024	**2023**
Revolving Credit Facility[1]	$ 27,000	$ 27,000
8.25% Senior Secured Notes due 2028	450,000	450,000
Less: Unamortized debt issuance costs and discounts/premiums, net	(8,861)	(11,847)
	$ 468,139	$ 465,153

(1) On March 5, 2025, the Company entered into an amendment with Capital One to extend the Credit Facility's maturity date from March 31, 2026 to January 1, 2027.

Fair Value of Long-Term Debt. The estimated fair value of the Notes was approximately $447.5 million at December 31, 2024 and $423.0 million at December 31, 2023, which values were estimated using quoted market prices (Level 1 inputs). The fair value of the Credit Facility approximates its carrying amount, as it is revolving, variable rate debt, and is classified as a Level 2 measurement.

Maturities of Long-Term Debt. Future maturities under the Credit Facility and Notes are as follows:

(In thousands)

For Years ending December 31,	**Revolving Credit Facility[1]**	**Senior Secured Notes due 2028**	**Total**
2025	$ —	$ —	$ —
2026	—	—	—
2027	27,000	—	27,000
2028	—	450,000	450,000
2029	—	—	—
Thereafter	—	—	—
	$ 27,000	$ 450,000	$ 477,000

(1) On March 5, 2025, the Company entered into an amendment with Capital One to extend the Credit Facility's maturity date from March 31, 2026 to January 1, 2027.

The following table summarizes information related to interest expense:

(In thousands)	Year Ended December 31, 2024	2023
Interest expense (excluding bond fee amortization and discounts/premiums)	$ 42,091	$ 39,860
Amortization of debt issuance costs and discounts/premiums	2,987	2,793
Capitalized interest	(1,114)	(15,938)
Interest income and other	(763)	(3,738)
	$ 43,201	$ 22,977

8. LEASES

The Company has no material leases in which it is the lessor. As lessee, the Company has finance leases for a hotel and certain equipment, as well as operating leases for land, casino and office space, equipment, and buildings. The Company's remaining lease terms, including extensions, range from one month to approximately 97 years as of December 31, 2024. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants, but the land leases at Silver Slipper and American Place do include contingent rent, as further discussed below.

Operating Leases

Waukegan Ground Lease through February 2122 and Option to Purchase. In January 2023, the Company's subsidiary, FHR-Illinois, LLC, entered into a 99-year ground lease (the "Ground Lease") for approximately 32 acres of land (the "City-Owned Parcel") with the City of Waukegan in Illinois (the "City"). The ground lease commenced concurrently with the opening of American Place on February 17, 2023. The City-Owned Parcel and an adjacent 10-acre parcel owned by the Company comprise the location of American Place, including its temporary facility. Annual rent under the Ground Lease is the greater of (i) $3.0 million (the "Annual Guaranteed Minimum Rent"), or (ii) 2.5% of gross gaming revenue (as defined in the lease) generated by American Place. We recognized $3.0 million of rent expense with no contingent rent during 2024, compared to $2.6 million of rent expense with no contingent rent during 2023.

The Company has the right to purchase the City-Owned Parcel at any time during the term of the Ground Lease for $30 million. If it does so prior to the opening of the permanent American Place facility, then it must continue to pay rent due to the City under the Ground Lease until the permanent casino is open.

Silver Slipper Casino Land Lease through April 2058 and Options to Purchase. In 2004, the Company's subsidiary, Silver Slipper Casino Venture, LLC, entered into a land lease with Cure Land Company, LLC, for approximately 31 acres of marshlands and a seven-acre parcel on which the Silver Slipper is situated. Annual minimum rent is $0.9 million throughout the lease term until 2058, plus contingent rents of 3% of gross gaming revenue (as defined in the lease) in excess of $3.65 million per month. We recognized $1.6 million of rent expense, including $0.7 million of contingent rents, during 2024, compared to $1.7 million of rent expense, including $0.8 million of contingent rents, during 2023.

Through October 1, 2027, the Company may buy out the lease for $15.5 million, plus a seller-retained interest in Silver Slipper's operations of 3% of net income (as defined) for 10 years following the purchase date. In the event that the Company sells or transfers either: (i) substantially all of the assets of Silver Slipper or (ii) its membership interests in Silver Slipper in its entirety, then the purchase price will increase to $17.1 million, plus the retained interest mentioned above. In either case, the Company also has an option to purchase a four-acre portion from the total 38 acres of leased land for $2.0 million in connection with the development of an owned hotel, which may be exercised at any time and would accordingly reduce the purchase price of the remaining land by $2.0 million.

Bronco Billy's / Chamonix Lease through January 2035 and Option to Purchase. The Company's subsidiary, FHR-Colorado LLC, leases certain parcels, including a portion of the hotel and casino, under a long-term lease. The lease term includes six renewal options in three-year increments to 2035. The Company exercised its fourth renewal option to extend the lease term through January 2029, with current annual lease payments of $0.4 million. We recognized $0.5 million of rent expense during 2024, compared to $0.5 million of rent expense during 2023, which was reclassified to preopening expenses for Chamonix.

Annual minimum rent will increase to $0.5 million starting in February 2026 with adjustments on each anniversary thereafter, based on the consumer price index. The lease also contains a $7.6 million purchase option exercisable at any time during the lease term, or as extended, and a right of first refusal on any sale of the property.

The Company's related ROU asset and liability balances on its balance sheet factor in all renewal terms through January 2035, as the Company is deemed likely to exercise each renewal option, unless it exercises its purchase buyout right.

Grand Lodge Casino Lease through December 2034. The Company's subsidiary, Gaming Entertainment (Nevada), LLC, has a lease (the "Hyatt Lease") with Incline Hotel, LLC, the owner of the Hyatt Regency Lake Tahoe Resort ("Hyatt Lake Tahoe"), to operate Grand Lodge. It is collateralized by the Company's interests under the lease and property (as defined in the lease) and is subordinate to the liens of the Notes (see Note 7). The lessor has an option to purchase the Company's leasehold interest and related operating assets of Grand Lodge at any time prior to lease expiration, subject to assumption of applicable liabilities. The option price is an amount equal to Grand Lodge's positive working capital, plus Grand Lodge's earnings before interest, income taxes, depreciation and amortization ("EBITDA") for the 12-month period preceding the acquisition (or pro-rated if less than 12 months remain on the lease), plus the fair market value of Grand Lodge's personal property.

In July 2024, the lease was further amended to extend the term through December 31, 2034 and, additionally, permits the lessor to terminate the lease early with six months' notice for a significant renovation of the property, on different terms than above. The annual rent of $2.00 million prior to the amendment will increase nominally in 2025 to $2.01 million, followed by annual increases of 2% for the remainder of the extended term. Except as set forth in the amendment, all other terms of the Hyatt Lease remain in full force and effect. Accordingly, the Company has remeasured this lease's related ROU asset and liability balances upon the effective date of this amendment. We recognized $2.1 million of rent expense during 2024, compared to $1.9 million during 2023.

Corporate Office Lease through April 2030. The Company leases 4,479 square feet of office space in Las Vegas, Nevada. In September 2024, the Company entered into an amendment with the landlord to extend the lease through April 30, 2030. The annual rent of $0.20 million in 2024 will decline in February 2025 to $0.17 million, increase in February 2026 to $0.23 million, and then increase 3% annually on each anniversary for the remainder of the extended term. The amended lease also includes one renewal at the Company's option for five years with rent to be determined at the fair market rate. Accordingly, the Company has remeasured this lease's related ROU asset and liability balances upon the effective date of this amendment. We recognized $0.2 million of rent expense during 2024, compared to $0.1 million during 2023.

Stockman's Sale-Leaseback. In connection with the sale of Stockman's real estate that closed on September 27, 2024, the Company's subsidiary, Stockman's Casino, Inc., entered into a short-term lease with Propco for use of its facilities with monthly rent of $50,000. Such leaseback will terminate upon the second closing of the Stockman's sale, when Opco has obtained the requisite gaming approvals to operate Stockman's. See Note 3 for details.

Finance Lease

Rising Star Casino Hotel Lease through October 2027 and Option to Purchase. The Company's Indiana subsidiary, Gaming Entertainment (Indiana) LLC, leases a 104-room hotel at Rising Star Casino Resort. At any time during the lease term, the Company has the option to purchase the hotel, and approximately 3.01 acres of land on which it resides, at a price based upon the project's original cost of $7.7 million (see Note 4), reduced by the cumulative principal finance lease payments made by the Company during the lease term. At December 31, 2024, such net amount was $1.7 million. Upon expiration of the lease term in October 2027, (i) the landlord has the right to sell the hotel to the Company, and (ii) the Company has the option to purchase the hotel. In either case, the purchase price is $1 plus closing costs. Annual payments for this finance lease were $0.7 million for each of 2024 and 2023.

The components of lease expense are as follows:

(In thousands)		Year Ended December 31,	
Lease Costs	**Classification within Statement of Operations**	**2024**	**2023**
Operating leases:			
Fixed/base rent	Selling, General and Administrative Expenses	$ 8,000	$ 7,933
Short-term payments[1]	Selling, General and Administrative Expenses	238	22
Variable payments	Selling, General and Administrative Expenses	1,241	1,213
Finance leases:			
Amortization of leased assets	Depreciation and Amortization	1,506	1,496
Interest on lease liabilities	Interest Expense, Net	263	371
Total lease costs		$ 11,248	$ 11,035

(1) Includes payments for the leaseback of Stockman's real estate totaling $0.2 million during 2024.

Leases recorded on the balance sheet consist of the following:

(In thousands)		December 31,	
Leases	**Balance Sheet Classification**	**2024**	**2023**
Assets			
Operating lease assets	Operating Lease Right-of-Use Assets, Net	$ 55,957	$ 44,704
Finance lease assets	Property and Equipment, Net[1]	4,245	4,409
Finance lease assets	Finance Lease Right-of-Use Assets, Net[2]	976	2,318
Total lease assets		$ 61,178	$ 51,431
Liabilities			
Current			
Operating	Current Portion of Operating Lease Obligations	$ 4,226	$ 4,784
Finance	Current Portion of Finance Lease Obligations	1,610	1,694
Noncurrent			
Operating	Operating Lease Obligations, Net of Current Portion	52,324	40,248
Finance	Finance Lease Obligations, Net of Current Portion	1,095	2,705
Total lease liabilities		$ 59,255	$ 49,431

(1) Finance lease assets are recorded net of accumulated depreciation of $2.9 million and $2.7 million as of December 31, 2024 and 2023, respectively.

(2) These finance lease assets are recorded separately from Property and Equipment due to meeting qualifying classification criteria under ASC 842, but ownership of such assets is not expected to transfer to the Company upon term expiration. Additionally, amortization of these assets are expensed over the duration of the lease term or the assets' estimated useful lives, whichever is earlier.

Maturities of lease liabilities at December 31, 2024 are summarized as follows:

(In thousands)

Years Ending December 31,	Operating Leases	Finance Leases
2025	$ 7,883	$ 1,721
2026	7,147	652
2027	6,847	489
2028	6,895	—
2029	6,946	—
Thereafter	319,191	—
Total future minimum lease payments	354,909	2,862
Less: Amount representing interest	(298,359)	(157)
Present value of lease liabilities	56,550	2,705
Less: Current lease obligations	(4,226)	(1,610)
Long-term lease obligations	$ 52,324	$ 1,095

Other information related to lease term and discount rate is as follows:

	December 31,	
Lease Term and Discount Rate	**2024**	**2023**
Weighted-average remaining lease term		
Operating leases	55.8 years	67.9 years
Finance leases	2.0 years	2.8 years
Weighted-average discount rate		
Operating leases	10.86 %	10.91 %
Finance leases	6.75 %	7.46 %

Supplemental cash flow information related to leases is as follows:

(In thousands)

	Year Ended December 31,	
Cash paid for amounts included in the measurement of lease liabilities:	**2024**	**2023**
Operating cash flows for operating leases	$ 7,735	$ 7,737
Operating cash flows for finance leases	$ 263	$ 371
Financing cash flows for finance leases	$ 1,694	$ 1,477

9. INCOME TAXES

The income tax expense attributable to the Company's loss before income taxes consisted of the following:

(In thousands)	Year Ended December 31,	
	2024	2023
Current Taxes		
Federal	$ —	$ —
State	(41)	489
	(41)	489
Deferred Taxes		
Federal	(7,958)	(5,007)
State	(3,447)	(3,108)
Increase in valuation allowance	11,667	8,775
	262	660
	$ 221	$ 1,149

A reconciliation of the federal income tax statutory rate and the Company's effective tax rate is as follows:

(In thousands)	Year Ended December 31,			
	2024		2023	
Tax Rate Reconciliation	**Percent**	**Amount**	**Percent**	**Amount**
Federal income tax benefit at U.S. statutory rate	21.0 %	$ (8,495)	21.0 %	$ (4,988)
State taxes, net of federal benefit	8.6 %	(3,488)	11.0 %	(2,621)
Change in valuation allowance	(28.8)%	11,667	(36.9)%	8,775
Permanent differences	— %	7	(0.7)%	168
Credits	0.4 %	(162)	0.8 %	(191)
Other	(1.7)%	692	— %	6
	(0.5)%	$ 221	(4.8)%	$ 1,149

The Company's deferred tax assets (liabilities) consisted of the following:

(In thousands)	December 31, 2024	December 31, 2023
Deferred tax assets:		
Deferred compensation	$ 2,505	$ 2,452
Intangible assets and amortization	5,706	6,071
Net operating loss carry-forwards	21,810	12,158
Accrued expenses	1,255	804
Credits	1,269	1,152
Loan Fees	1,133	1,269
Interest limitation	6,647	4,418
Lease liabilities	14,675	12,085
Deferred revenues	1,352	1,781
Valuation allowance	(35,634)	(23,966)
Other	177	354
	20,895	18,578
Deferred tax liabilities:		
Depreciation of fixed assets	(692)	(1,777)
Amortization of indefinite-lived intangibles	(6,859)	(5,621)
Right-of-use assets	(14,509)	(12,033)
Other	(781)	(831)
	(22,841)	(20,262)
	$ (1,946)	$ (1,684)

As of December 31, 2024, the Company had gross federal net operating loss carryforwards totaling $57.4 million and state tax carryforwards of $193.2 million. In general, our federal tax net operating loss carryforwards can be carried forward indefinitely and our state tax carryforwards can be carried forward 20 years. The Company also has general business credits of $1.3 million, which begin to expire in 2035.

In assessing the realizability of its deferred tax assets ("DTAs"), the Company considered whether it is "more likely than not" that some portion or all of the DTAs will not be realized. The ultimate realization of DTAs is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. The Company considered all of the available positive and negative evidence when determining the need for a valuation allowance, including, but not limited to, the scheduled reversal of existing deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. As of December 31, 2024, the Company continues to provide a valuation allowance against its DTAs that cannot be offset by existing deferred tax liabilities. In accordance with ASC 740, this assessment has taken into consideration the jurisdictions in which these DTAs reside. The valuation allowance against DTAs has no effect on the actual taxes paid or owed by the Company. In the future, if it is determined that we meet the "more likely than not" threshold of utilizing our deferred tax assets as required under ASC 740, we may reverse some or all of our valuation allowance. We will continue to evaluate the need for the valuation allowance during each interim period in 2025.

As of December 31, 2024 and 2023, the Company had $1.9 million and $1.7 million, respectively, of deferred tax liabilities relating to goodwill and other indefinite-lived intangibles, net of the maximum benefit allowed under the statute after netting with the indefinite-lived DTAs.

The Company's utilization of net operating loss ("NOL") and the general business tax credit carryforwards may be subject to an annual limitation under Sections 382 and 383 of the Internal Revenue Code of 1986 (the "IRC"), and similar state provisions due to ownership changes that may have occurred or that could occur in the future. These ownership changes may limit the amount of NOL and tax credit carryforwards that can be utilized annually to offset future taxable income and tax, respectively. In general, an ownership change, as defined by IRC Sections 382 and 383, results from transactions increasing ownership of certain stockholders or public groups in the stock of the corporation by more than 50 percentage points over a three-year period. The Company has completed a Section 382 analysis as of the date of this report and determined that there have not been any of such greater-than-50% ownership changes within a three-year period during the last five years that would prohibit the Company from utilizing all of its tax attributes.

Management has made an annual analysis of its federal and state tax returns and concluded that the Company has no recordable liability, as of December 31, 2024 or 2023, for unrecognized tax benefits as a result of uncertain tax positions taken.

The Company files income tax returns in the U.S. federal jurisdiction and various state jurisdictions. The Company is generally not subject to federal or state examination for periods prior to December 31, 2021. However, as the Company utilizes its NOLs, prior periods can be subject to examination.

10. COMMITMENTS AND CONTINGENCIES

Litigation

The Company is party to a number of pending legal proceedings related to matters that occurred in the normal course of business. Management does not expect that the outcome of any such proceedings, either individually or in the aggregate, will have a material effect on our financial position, results of operations and cash flows.

Contingent Gaming License Fees in Illinois

As required for its gaming licensure at American Place, the Company continues to accrue for a "Reconciliation Payment" that will be due to the State of Illinois over a long-term basis. The Reconciliation Payment is calculated in February 2026 (three years after the commencement of gaming operations in Illinois) in an amount equal to 75% of the adjusted gross receipts for the most lucrative trailing 12-month period of operations, offset by certain licensing fees already paid by the Company. The Reconciliation Payment is due in annual installments over a period of six years, beginning in 2026.

The minimum present value of the long-term obligation for the Company's gaming license in Illinois consisted of the following as discussed above, with a corresponding increase to the Illinois gaming license valuation:

(In thousands)	**December 31,**	
	2024	**2023**
Minimum IGB Reconciliation Fee[1]	$ 46,039	$ 22,092
Less: Amount representing interest[2]	(11,173)	(7,187)
Minimum present value of IGB Reconciliation Fee	$ 34,866	$ 14,905

(1) Calculated based upon gaming revenues generated at American Place through the corresponding year-end. This one-time fee will be paid in six annual installments (without interest) beginning in February 2026.

(2) The effective interest rate of the Revolving Credit Facility (see Note 7) is used to impute interest on this long-term obligation and its corresponding increase to the Illinois gaming license valuation, which approximates their fair values.

Defined Contribution Plan

The Company sponsors a defined contribution plan for all eligible employees, allowing voluntary contributions by eligible employees and matching contributions made by the Company. Matching contributions made by the Company were $0.3 million for each of 2024 and 2023, excluding nominal administrative expenses. For both years, the Company's employer matching contribution rate was at 50% of employee contributions, up to a maximum of 4% of eligible compensation.

Liquidity, Concentrations and Economic Risks and Uncertainties

The Company carries cash on deposit with financial institutions that may be in excess of federally-insured limits. The extent of any loss that might be incurred as a result of uninsured deposits in the event of a future failure of a bank or other financial institution, if any, is not subject to estimation at this time.

11. STOCK-BASED COMPENSATION

2015 Equity Incentive Plan. The 2015 Equity Incentive Plan ("2015 Plan"), as approved by stockholders and further amended in May 2021, allows for the issuance of up to 4,500,000 shares of common stock. The 2015 Plan allows for stock-based awards to be granted to directors, employees and consultants and allows for a variety of forms of awards, including stock options, stock appreciation rights, restricted stock, restricted stock units, dividend equivalents and performance-based compensation. Stock option awards have maximum 10-year terms, and no awards issued under the 2015 Plan vest on an accelerated basis if there is a change in control of the Company, unless the awards are not assumed by the successor, as defined.

As of December 31, 2024, the Company had 133,962 stock-based awards authorized by stockholders and available for grant from the 2015 Plan.

Performance-Based Shares. The Company issued a total of 176,377 performance-based shares to its executives in 2024. The vesting for these performance-based shares is based on the compounded annual growth rate of the Company's Adjusted EBITDA and Free Cash Flow Per Share, as defined and adjudicated by the Company's compensation committee, for the three-year periods ending December 31, 2024, December 31, 2025, and December 31, 2026.

Restricted Stock Awards. On May 9, 2024, the Company issued to non-executive members of its Board of Directors, as compensation for their annual service, a total of 84,906 restricted shares under the 2015 Plan, with a one-year vesting period. Also in May 2024, the Company issued to employees a total of 207,125 restricted shares under the 2015 Plan, with a three-year vesting period. An additional 28,135 restricted shares were issued to newly-hired employees in November 2024 as "inducement grants" outside of the 2015 Plan, with a three-year vesting period.

Stock Options. The following table summarizes information related to the Company's common stock options:

	Number of Stock Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Options outstanding at January 1, 2024	3,757,227	$ 3.22		
Granted	87,822	5.15		
Exercised	(1,054,360)	1.28		
Canceled/Forfeited	(5,000)	7.40		
Expired	—	—		
Options outstanding at December 31, 2024	2,785,689	$ 4.01	4.70	$ 3,629,196
Options exercisable at December 31, 2024	2,342,499	$ 3.45	4.04	$ 3,629,196

Compensation Cost. Compensation expense is as follows:

(In thousands)	Year Ended December 31,	
Compensation Expense	**2024**	**2023**
Stock options	$ 1,326	$ 1,517
Restricted and performance-based shares	1,547	1,365
	$ 2,873	$ 2,882

At December 31, 2024, there was approximately $1.1 million of unrecognized compensation cost related to unvested stock options granted by the Company, which is expected to be recognized over a weighted-average period of 1.3 years. At such date, there was also $2.2 million of unrecognized compensation cost related to unvested restricted and performance shares, which is expected to be recognized over a weighted-average period of 1.7 years.

The Company estimates the fair value of each stock option award on the grant date using the Black-Scholes valuation model. Option valuation models require the input of highly subjective assumptions, and changes in assumptions used can materially affect the fair value estimate. Option valuation weighted-average assumptions were as follows:

	Year Ended December 31,	
	2024	**2023**
Expected volatility	71.70 %	69.54 %
Expected dividend yield	— %	— %
Expected term (in years)	6.00	6.00
Weighted average risk-free rate	3.94 %	3.72 %

Expected volatility is based on the historical volatility of our stock price. Dividend yield is based on the estimate of annual dividends expected to be paid at the time of the grant. The expected term considers the contractual term of the option as well as historical exercise and forfeiture behavior. The risk-free interest rate is based on the rates in effect on the grant date for U.S. Treasury instruments with maturities matching the relevant expected term of the award.

Therefore, the weighted-average grant date fair value per share of options granted is as follows:

	Year Ended December 31,	
	2024	**2023**
Weighted average grant date fair value	$ 3.42	$ 4.79

12. SEGMENT REPORTING

The Company manages its reporting segments based on geographic regions within the United States and type of income. The Company's management views the regions where each of its casino resorts are located as reportable segments, in addition to its contracted sports wagering segment. Reportable segments are aggregated based on geography, economic characteristics, types of customers, types of services and products provided, the regulatory environments in which they operate, and their management and reporting structure. Therefore, the Company has determined three reportable segments as follows: Midwest & South, West, and Contracted Sports Wagering (see Note 1).

The Company's chief operating decision maker ("CODM") is the chief executive officer.

The Company's CODM assesses the performance of each segment by using Adjusted Segment EBITDA as the measure of segment profitability. Adjusted Segment EBITDA is defined as earnings before interest and other non-operating income (expense), taxes, depreciation and amortization, preopening expenses, impairment charges, asset write-offs, recoveries, gain (loss) from asset sales and disposals, project development and acquisition costs, non-cash share-based compensation expense, and corporate-related costs and expenses that are not allocated to each segment.

The Company's CODM uses Adjusted Segment EBITDA for each segment predominantly in the annual budget and forecasting process. The CODM considers budget-to-actual variances and period-over-period fluctuations when making decisions about the allocation of operating and capital resources to each segment, as well as a basis for determining certain incentive compensation.

The following tables present the Company's segment information:

(In thousands)	**December 31,**	
	2024	**2023**
Total Assets		
Midwest & South	$ 293,466	$ 298,072
West	360,057	372,875
Contracted Sports Wagering	68	977
Corporate and Other	19,743	16,533
	$ 673,334	$ 688,457

(In thousands)	**December 31,**	
	2024	**2023**
Property and Equipment, net		
Midwest & South	$ 131,083	$ 152,106
West	315,426	305,528
Contracted Sports Wagering	—	—
Corporate and Other	165	273
	$ 446,674	$ 457,907

(In thousands)	Year Ended December 31, 2024			
	Midwest & South	West	Contracted Sports Wagering	Total
Revenues				
Casino	$ 169,107	$ 47,773	$ —	$ 216,880
Food and beverage	34,410	7,461	—	41,871
Hotel	8,260	7,449	—	15,709
Other operations, including contracted sports wagering	7,849	965	8,791	17,605
Total consolidated revenues	219,626	63,648	8,791	292,065
Less:				
Payroll and related costs	57,822	25,010	—	82,832
Cost of sales	18,403	4,278	—	22,681
Taxes[1]	37,810	6,090	57	43,957
Other segment items[2]	59,854	29,572	(769)	88,657
Total segment expenses	173,889	64,950	(712)	238,127
Adjusted Segment EBITDA	45,737	(1,302)	9,503	53,938
Other operating costs and expenses:				
Depreciation and amortization				(42,101)
Corporate expenses				(5,290)
Project development costs				(368)
Preopening costs				(2,464)
Loss on disposal of assets				(18)
Gain on sale of Stockman's				1,926
Stock-based compensation				(2,873)
Operating income				2,750
Other expense:				
Interest expense, net				(43,201)
				(43,201)
Loss before income taxes				(40,451)
Income tax expense				221
Net loss				$ (40,672)

(1) Excludes real estate and property taxes.
(2) For each reportable segment, the "Other segment items" category includes:
- Midwest & South and West ─ Advertising and marketing, rent expense, insurance, and other miscellaneous costs.
- Contracted Sports Wagering ─ Credit loss expense net of recoveries, as well as certain overhead expenses.

(In thousands)	Year Ended December 31, 2023			
	Midwest & South	West	Contracted Sports Wagering	Total
Revenues				
Casino	$ 145,391	$ 31,542	$ —	$ 176,933
Food and beverage	30,762	3,218	—	33,980
Hotel	8,792	636	—	9,428
Other operations, including contracted sports wagering	7,413	492	12,814	20,719
Total consolidated revenues	192,358	35,888	12,814	241,060
Less:				
Payroll and related costs	49,936	16,055	—	65,991
Cost of sales	17,641	1,749	—	19,390
Taxes[1]	29,255	3,660	48	32,963
Other segment items[2]	56,498	12,016	1,103	69,617
Total segment expenses	153,330	33,480	1,151	187,961
Adjusted Segment EBITDA	39,028	2,408	11,663	53,099
Other operating costs and expenses:				
Depreciation and amortization				(31,092)
Corporate expenses				(4,542)
Project development costs				(53)
Preopening costs				(15,685)
Loss on disposal of assets				(7)
Stock-based compensation				(2,882)
Operating loss				(1,162)
Other (expense) income:				
Interest expense, net				(22,977)
Other				384
				(22,593)
Loss before income taxes				(23,755)
Income tax expense				1,149
Net loss				$ (24,904)

(1) Excludes real estate and property taxes.
(2) For each reportable segment, the "Other segment items" category includes:
- Midwest & South and West ─ Advertising and marketing, rent expense, insurance, and other miscellaneous costs.
- Contracted Sports Wagering ─ Credit loss expense net of recoveries, as well as certain overhead expenses.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures — As of December 31, 2024, we completed an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in the Exchange Act Rule 13a-15(e) and 15d-15(e)). Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2024, our disclosure controls and procedures are effective at a reasonable assurance level.

We have established controls and procedures designed at the reasonable assurance level to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms and is accumulated and communicated to management, including the principal executive officer and the principal financial officer, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control Over Financial Reporting — Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control system was designed to provide reasonable assurance to our management and board of directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) 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 are being made only in accordance with authorizations of management and our directors; and (iii) provide reasonable assurance regarding prevention or timely detection of the unauthorized acquisition, use or disposition of 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.

Management assessed the effectiveness of our internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) as of December 31, 2024. In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework (2013). Based on its assessment, management concluded that, as of December 31, 2024, our internal control over financial reporting is effective based on those criteria.

The Company's independent registered public accounting firm's report on the effectiveness of our internal control over financial reporting appears herein.

Changes in Internal Control Over Financial Reporting — There have been no changes during the quarter ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

During the quarter ended December 31, 2024, none of our directors or officers adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as those terms are defined in Item 408 of Regulation S-K.

On March 5, 2025, the Company entered into a Third Amendment to Credit Agreement with Capital One, which extended the revolving Credit Facility's maturity date from March 31, 2026 to January 1, 2027. Except as set forth in the amendment, all other terms of the Credit Facility remain in full force and effect. See Note 7 for details.

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 set forth under the captions "Election of Directors" and "Section 16(a) Beneficial Ownership Reporting Compliance" and elsewhere in the definitive Proxy Statement for our 2025 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission within 120 days of December 31, 2024 (our "Proxy Statement") and is incorporated herein by this reference.

Item 11. Executive Compensation.

The information required by this Item will be set forth under the caption "Executive Compensation" and elsewhere in our 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 set forth under the captions "Security Ownership of Certain Beneficial Owners and Management" and "Executive Compensation — Equity Compensation Plan Information" and elsewhere in our 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 set forth under the caption "Certain Relationships and Related Transactions" and "Independence of Directors" and elsewhere in our Proxy Statement and is incorporated herein by this reference.

Item 14. Principal Accounting Fees and Services.

The information required by this Item will be set forth under the caption "Ratification of Independent Registered Public Accounting Firm" and elsewhere in our Proxy Statement and is incorporated herein by this reference.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) Financial statements of the Company (including related Notes to consolidated financial statements) included herein under Item 8 of Part II hereof are listed below:

- Reports of Independent Registered Public Accounting Firm
- Consolidated Balance Sheets as of December 31, 2024 and 2023
- For the Years Ended December 31, 2024 and 2023:
  - Consolidated Statements of Operations
  - Consolidated Statements of Stockholders' Equity
  - Consolidated Statements of Cash Flows
- Notes to Consolidated Financial Statements

(b) Exhibits

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation as amended to date (Incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q (SEC File No. 1-32583) filed on May 9, 2011).
3.2	Second Amended and Restated Bylaws of Full House Resorts, Inc., effective July 1, 2020 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on July 2, 2020).
4.1*	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 "Registered Securities of Full House Resorts, Inc."
4.2	Specimen Certificate for Shares of Full House Resorts, Inc.'s Common Stock, par value $.0001 per share (Incorporated by reference to the Registrant's Registration Statement on Form S-3 (SEC file No. 333-213123) filed on August 15, 2016).
4.3	Indenture (including form of Notes), dated as of February 12, 2021, among Full House Resorts, Inc., the guarantors party thereto and Wilmington Trust, National Association, as trustee (Incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on February 12, 2021).
4.4	Form of Senior Secured Note due 2028 (included in Exhibit 4.3) (Incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on February 12, 2021).
4.5	First Supplemental Indenture, dated as of February 1, 2022, among the Company, the guarantors party thereto and Wilmington Trust, National Association, as trustee (Incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on February 2, 2022).
4.6	Second Supplemental Indenture, dated as of February 7, 2022, among the Company, the guarantors party thereto and Wilmington Trust, National Association, as trustee (Incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on February 8, 2022).
4.7	Third Supplemental Indenture, dated as of March 3, 2022, among Full House Resorts, Inc., the guarantors party thereto and Wilmington Trust, National Association, as trustee (Incorporated by reference to Exhibit 4.7 to the Registrant's Annual Report on Form 10-K (SEC File No. 1-32583) filed on March 15, 2022).
4.8	Fourth Supplemental Indenture, dated as of February 21, 2023, among Full House Resorts, Inc., the guarantors party thereto and Wilmington Trust, National Association, as trustee (Incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on February 22, 2023).
10.1	Lease Agreement with Option to Purchase dated as of November 17, 2004, by and between Cure Land Company, LLC, as landlord, and Silver Slipper Casino Venture LLC, as tenant. (Incorporated by reference to Exhibit 10.11 to the Registrant's Annual Report on Form 10-K (SEC File No. 1-32583) filed on March 6, 2013).

10.2	First Amendment to Lease Agreement with Option to Purchase dated as of March 13, 2009, by and between Cure Land Company, LLC, as landlord, and Silver Slipper Casino Venture LLC, as tenant. (Incorporated by reference to Exhibit 10.12 to the Registrant's Annual Report on Form 10-K (SEC File No. 1-32583) filed on March 6, 2013).
10.3	Second Amendment to Lease Agreement with Option to Purchase dated as of September 26, 2012, by and between Cure Land Company, LLC, as landlord, and Silver Slipper Casino Venture LLC, as tenant. (Incorporated by reference to Exhibit 10.13 to the Registrant's Annual Report on Form 10-K (SEC File No. 1-32583) filed on March 6, 2013).
10.4	Third Amendment to Lease Agreement with Option to Purchase dated as of February 26, 2013, by and between Cure Land Company, LLC, as landlord, and Silver Slipper Casino Venture LLC, as tenant. (Incorporated by reference to Exhibit 10.14 to the Registrant's Annual Report on Form 10-K (SEC File No. 1-32583) filed on March 6, 2013).
10.5	Fourth Amendment to Lease Agreement with Option to Purchase dated as of March 20, 2020, by and between Cure Land Company, LLC, as landlord, and Silver Slipper Casino Venture LLC, as tenant (Incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q (SEC File No. 1-32583) filed on May 13, 2020).
10.6	Casino Operations Lease dated June 28, 2011 by and between Hyatt Equities, L.L.C. and Gaming Entertainment (Nevada) LLC. (Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on June 30, 2011).
10.7	First Amendment to Casino Operations Lease dated April 8, 2013 by and between Hyatt Equities, L.L.C. and Gaming Entertainment (Nevada) LLC. (Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on April 11, 2013).
10.8	Second Amendment to Casino Operations Lease effective as of November 25, 2015, by and between Gaming Entertainment (Nevada) LLC, a Nevada limited liability company, and Hyatt Equities, L.L.C., a Delaware limited liability company (Incorporated by reference to Exhibit 10.1 to Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on December 17, 2015).
10.9	Third Amendment to Casino Operations Lease, effective August 29, 2016, between Hyatt Equities, L.L.C. and Gaming Entertainment (Nevada) LLC (Incorporated by reference to Exhibit 10.1 to Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on August 30, 2016).
10.10	Fourth Amendment to Casino Operations Lease dated November 13, 2019 by and between Hyatt Equities, L.L.C., as landlord, and Gaming Entertainment (Nevada) LLC, as tenant (Incorporated by reference to Exhibit 10.10 to the Registrant's Annual Report on Form 10-K (SEC File No. 1-32583) filed on March 12, 2021.
10.11	Fifth Amendment to Casino Operations Lease dated July 31, 2020 by and between Hyatt Equities, L.L.C., as landlord, and Gaming Entertainment (Nevada) LLC, as tenant (Incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q (SEC File No. 1-32583) filed on August 13, 2020).
10.12	Sixth Amendment to Casino Operations Lease dated February 13, 2023 by and between Incline Hotel LLC, as landlord, and Gaming Entertainment (Nevada) LLC, as tenant (Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on February 16, 2023).
10.13	Seventh Amendment to Casino Operations Lease dated July 1, 2024 by and between Incline Hotel LLC, as landlord, and Gaming Entertainment (Nevada) LLC, as tenant (Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on July 3, 2024).
10.14	Hotel Lease / Purchase Agreement dated August 15, 2013 by and between Rising Sun/Ohio County First, Inc. and Gaming Entertainment (Indiana) LLC. (Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K/A (SEC File No. 1-32583) filed on August 22, 2013).
10.15	First Amendment to Hotel Lease / Purchase Agreement dated March 16, 2016 by and between Rising Sun/Ohio County First, Inc. and Gaming Entertainment (Indiana) LLC. (Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on March 18, 2016).
10.16	Second Amendment to Hotel Lease/Purchase Agreement dated September 19, 2017, by and between Rising Sun/Ohio County First, Inc. and Gaming Entertainment (Indiana) LLC. (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on 8-K (SEC File No. 1-32583) filed on September 21, 2017).

10.17+	2015 Equity Incentive Plan (as amended and restated by the Board effective April 6, 2021). (Incorporated by reference to Annex 2 to the Registrant's Proxy Statement on Schedule 14A (SEC File No. 1-32583) filed on April 14, 2021).
10.18+	Form of Award Agreement pursuant to the 2015 Equity Incentive Plan (Incorporated by reference to Exhibit 10.41 to the Registrant's Annual Report on Form 10-K (SEC File No. 1-32583) filed on March 8, 2018).
10.19+	Full House Resorts, Inc. Annual Incentive Plan for Executives (Incorporated by reference to Exhibit 10.1 to the Registrant's Form 8-K (SEC File No. 1-32583) filed on August 1, 2017).
10.20+	Employment Agreement, dated December 31, 2020, between Full House Resorts, Inc. and Daniel R. Lee (Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on January 7, 2021).
10.21+	Award Agreement, dated May 24, 2017, between Full House Resorts, Inc. and Daniel R. Lee (Incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on May 30, 2017).
10.22+	Employment Agreement, dated May 19, 2022, between Full House Resorts, Inc. and Lewis A. Fanger (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (SEC File No. 1-32583) filed on May 23, 2022).
10.23+	Employment Agreement, dated as of February 4, 2022, by and between Full House Resorts, Inc. and Elaine L. Guidroz (Incorporated by reference to Exhibit 10.1 to Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on February 10, 2022).
10.24+	Employment Agreement, dated as of April 11, 2022, by and between Full House Resorts, Inc. and John Ferrucci (Incorporated by reference to Exhibit 10.1 to Registrant's Quarterly Report on Form 10-Q (SEC File No. 1-32583) filed on May 10, 2022).
10.25	Credit Agreement, dated as of March 31, 2021, among the Company, as borrower, the subsidiary guarantors party thereto, the lender parties thereto, and Capital One, National Association, as administrative agent (incorporated by referenced to Exhibit 10.1 to the Company's Current Report on Form 8-K (SEC File No. 1-32583) filed on March 31, 2021).
10.26	First Amendment to Credit Agreement, dated as of February 7, 2022, among the Company, the guarantors party thereto and Capital One, National Association, as administrative agent (Incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on February 8, 2022).
10.27	Second Amendment to Credit Agreement, dated as of February 21, 2023, among the Company, the guarantors party thereto and Capital One, National Association, as administrative agent (Incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K (SEC File No. 1-32583) filed on February 22, 2023).
10.28*	Third Amendment to Credit Agreement, dated as of March 5, 2025, among the Company, the guarantors party thereto and Capital One, National Association, as administrative agent.
10.29†	Development and Host Community Agreement, dated as of January 18, 2023, by and between the City of Waukegan, Illinois, and FHR-Illinois LLC, as developer (Incorporated by reference to Exhibit 10.29 to the Registrant's Annual Report on Form 10-K (SEC File No. 1-32583) filed on March 16, 2023).
10.30†	Ground Lease, dated as of January 18, 2023, by and between the City of Waukegan, as landlord, and FHR-Illinois LLC, as tenant (Incorporated by reference to Exhibit 10.30 to the Registrant's Annual Report on Form 10-K (SEC File No. 1-32583) filed on March 16, 2023).
19.1*	Full House Resorts Insider Trading Policy.
21.1*	List of Subsidiaries of Full House Resorts, Inc.
23.1*	Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm to the Company.
31.1*	Certification of principal executive officer pursuant to Exchange Act Rule 13a-14(a)/15(d)-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of principal financial officer pursuant to Exchange Act Rule 13a-14(a)/15(d)-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of principal executive officer pursuant to 18 U.S.C. section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of principal financial officer pursuant to 18 U.S.C. section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

97.1*	Full House Resorts, Inc. Executive Officer Clawback Policy
99.1*	Description of Governmental Gaming Regulations.
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its 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	Cover Page Inline XBRL File (included in Exhibit 101).

_____

* Filed herewith.
** Furnished herewith.
\+ Executive compensation plan or arrangement.
† Certain schedules and similar attachments have been omitted in reliance on Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the SEC upon request.

Item 16. Form 10-K Summary.

We have elected not to disclose the optional summary information.

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.

FULL HOUSE RESORTS, INC.

March 11, 2025

By: /s/ DANIEL R. LEE
Daniel R. Lee, Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Name and Capacity	**Date**
/s/ DANIEL R. LEE Daniel R. Lee, Chief Executive Officer and Director (Principal Executive Officer)	March 11, 2025
/s/ LEWIS A. FANGER Lewis A. Fanger, Chief Financial Officer and Director (Principal Financial Officer and Principal Accounting Officer)	March 11, 2025
/s/ CARL G. BRAUNLICH Carl G. Braunlich, Director	March 11, 2025
/s/ ERIC J. GREEN Eric J. Green, Director	March 11, 2025
/s/ LYNN M. HANDLER Lynn M. Handler, Director	March 11, 2025
/s/ KATHLEEN MARSHALL Kathleen Marshall, Director	March 11, 2025
/s/ MICHAEL P. SHAUNNESSY Michael P. Shaunnessy, Director	March 11, 2025

Exhibit 4.1

FULL HOUSE RESORTS, INC.
DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

Full House Resorts, Inc., a Delaware corporation (the "Company," "we," "us" or "our") has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended: our Common Stock (as defined below).

The following description of our Common Stock is a summary and does not purport to be complete. This summary is subject to and qualified in its entirety by reference to the full text of our amended and restated certificate of incorporation, as amended ("Certificate of Incorporation") and our amended and restated bylaws ("By-laws"), each of which is filed as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.1 is a part. We encourage you to read our Certificate of Incorporation, our By-laws, and the applicable provisions of the General Corporation law of the State of Delaware (the "DGCL") for additional information.

Authorized Shares

Our authorized capital consists of 100,000,000 shares of common stock, par value $0.0001 per share ("Common Stock"), and 5,000,000 shares of preferred stock, par value $0.0001 per share ("Preferred Stock"). All outstanding shares of our Common Stock are fully paid and non-assessable. As of December 31, 2024, we had 35,648,668 shares of Common Stock issued and outstanding and no shares of Preferred Stock issued or outstanding.

Common Stock

Dividends

Holders of our Common Stock are entitled to receive such dividends, if any, as may be declared from time to time by our board of directors out of legally available funds. The declaration and payment of dividends on our Common Stock is a business decision to be made by our board of directors from time to time based upon results of our operations and our financial condition and any other factors as our board of directors considers relevant. Under the DGCL, we can only pay dividends to the extent that we have surplus — the extent by which the fair market value of our net assets exceeds the amount of our capital, or to the extent of our net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. In addition, the payment of dividends may be restricted by loan agreements, indentures and other transactions entered into us from time to time.

Voting Rights

Holders of Common Stock have the exclusive power to vote on all matters presented to our stockholders, including the election of directors, except as otherwise provided by the DGCL or as provided with respect to any other class or series of stock, if any. Holders of Common Stock are entitled to one vote per share. An affirmative vote of a majority of the votes cast at a meeting of stockholders at which a quorum is present and entitled to vote thereon is sufficient for approval of all matters submitted to a vote of stockholders. There is no cumulative voting.

Liquidation Rights

In the event we are dissolved and our affairs our wound up, after we pay or make adequate provision for all of our debts and liabilities in accordance with applicable law, each holder of our Common Stock will receive dividends pro rata out of assets that we can legally use to pay distributions.

Other Rights

Subject to the preferential rights of any other class or series of stock, all shares of Common Stock have equal dividend, distribution, liquidation and other rights, and have no preference or appraisal rights, except for any appraisal rights provided by the DGCL. Furthermore, holders of our Common Stock have no conversion, sinking fund or redemption rights, or rights to subscribe for any of our securities, except that our Certificate of Incorporation imposes certain obligations on holders of our Common Stock relating to compliance with the gaming authorities and empowers the Company to redeem shares of Common Stock under certain limited circumstances. For additional information, see "Description of Governmental Gaming Regulations" in Exhibit 99.1 of our Annual Report on Form 10-K for the year ended December 31, 2024.

Listing

Our Common Stock is listed on the Nasdaq Capital Market under the symbol "FLL."

Preferred Stock

Prior to the issuance of any shares of our Preferred Stock, an amendment to our Certificate of Incorporation must be adopted by our board of directors and approved by our stockholders to designate one or more series of such Preferred Stock and to fix, for each series, the designations, powers and preferences and the relative, participating, optional or other special rights of the shares of each series and any qualifications, limitations and restrictions thereof, as are permitted by the DGCL. Our Certificate of Incorporation does not include a "blank check" provision that would otherwise authorize our board of directors to issue our Preferred Stock in any number or series and to determine the rights of each series without needing additional stockholder approval.

Certain Anti-Takeover Effects of our Certificate of Incorporation and By-laws and Delaware Law

General. Certain provisions of our Certificate of Incorporation and our By-laws, and certain provisions of the DGCL could make our acquisition by a third party, a change in our incumbent management, or a similar change of control more difficult. These provisions, which are summarized below, are likely to reduce our vulnerability to an unsolicited proposal for the restructuring or sale of all or substantially all of our assets or an unsolicited takeover attempt. The summary of the provisions set forth below does not purport to be complete and is qualified in its entirety by reference to our Certificate of Incorporation and our By-laws and the applicable provisions of the DGCL.

Advance Notice Requirements. Stockholders wishing to nominate persons for election to our board of directors at an annual meeting or to propose any business to be considered by our stockholders at an annual meeting must comply with certain advance notice and other requirements set forth in our By-laws. Likewise, if our board of directors has determined that directors shall be elected at a special meeting of stockholders, stockholders wishing to nominate or re-nominate persons for election to our board of directors at such special meeting must comply with certain advance notice and other requirements set forth in our By-laws.

Special Meetings. Our By-laws provide that special meetings of stockholders may only be called by our board of directors or at the request in writing of stockholders owning at least forty percent (40%) of the shares entitled to vote.

Board Vacancies. Any vacancy on our board of directors may be filled by a majority vote of the directors then in office, though less than a quorum, or by a sole remaining director. Any director elected to fill a vacancy shall hold office for a term expiring at the next annual meeting of stockholders and until their successors are elected and qualified. If one or more directors shall resign from our board of directors effective at a future date, a majority of directors then in office, including those who have so resigned, shall have the power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided for the filling of other vacancies.

Exclusive Forum Bylaws Provision. Our By-laws require that, to the fullest extent permitted by law, and unless the Company consents in writing to an alternative forum, the Court of Chancery of the State of Delaware or the Eighth Judicial District Court of Clark County, Nevada, will be the sole and exclusive forum for any internal corporate claims. "Internal corporate claims" means claims, including claims in the right of the corporation, (i) that are based upon a violation of a duty by a current or former director or officer or stockholder in such capacity, or (ii) any action arising pursuant to any provision of the DGCL.

Although we believe this provision benefits us by providing increased consistency in the consistent application of law in the type of lawsuits to which it applies, the provision may have the effect of discouraging lawsuits against our directors and officers.

Authorized but Unissued Shares. Our authorized but unissued shares of Common Stock are generally available for our board of directors to issue without stockholder approval. We may use these additional shares for a variety of corporate purposes, including future offerings to raise additional capital, corporate acquisitions and employee benefit plans. The existence of our authorized but unissued shares of Common Stock could render more difficult or discourage an attempt to obtain control of our company by means of a proxy contest, tender offer, merger or other transaction.

Section 203 of the DGCL. We are subject to the provisions of Section 203 of the Delaware General Corporation Law. In general, Section 203 prohibits a Delaware corporation that is listed on a national securities exchange or held of record by more than 2,000 shareholders from engaging in a "business combination" with an "interested stockholder" for a three-year period following the time that such stockholder becomes an interested stockholder, unless the business combination is approved in a prescribed manner. A "business combination" includes, among other things, certain mergers, asset or stock sales or other transactions resulting in a financial benefit to the interested stockholder. An "interested stockholder" is a person who, together with affiliates and associates, owns, or did own within three years prior to the determination of interested stockholder status, 15% or more of the corporation's outstanding voting stock. Under Section 203, a business combination between a corporation and an interested stockholder is prohibited unless it satisfies one of the following conditions:

- before the stockholder became interested, the board of directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;

- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans, in some instances; or

- at or after the time the stockholder became interested, the business combination was approved by the board of directors of the corporation and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least 66 $^{2}/_{3}$% of the outstanding voting stock which is not owned by the interested stockholder.

Exhibit 10.28

THIRD AMENDMENT TO CREDIT AGREEMENT

This THIRD AMENDMENT TO CREDIT AGREEMENT (this "Amendment"), dated as of March 5, 2025, is entered into by and among Full House Resorts, Inc., a Delaware corporation (the "Borrower"), the Subsidiary Guarantors party hereto, Capital One, National Association, as administrative agent for the Lenders (in such capacity, the "Administrative Agent"), the Lenders party hereto and the Issuing Lenders party hereto. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement (as defined below), and the rules of construction set forth in the Credit Agreement shall apply to this Amendment.

RECITALS

WHEREAS, the Borrower, the Subsidiary Guarantors from time to time party thereto, the Lenders from time to time party thereto and the Administrative Agent have entered into that certain Credit Agreement, dated as of March 31, 2021 (as amended by that certain First Amendment to Credit Agreement, dated as of February 7, 2022, that certain Second Amendment to Credit Agreement, dated as of February 21, 2023, and as further amended, amended and restated, refinanced, supplemented or otherwise modified from time to time, including by this Amendment, the "Credit Agreement"); and

WHEREAS, the Loan Parties have requested that the Administrative Agent and the existing Lenders amend certain provisions of the Credit Agreement, and the Administrative Agent and each of the Lenders party hereto (constituting all of the Lenders) have agreed to amend the Credit Agreement on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing, the terms, covenants and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Amendment to Credit Agreement. Subject to the conditions and upon the terms set forth in this Amendment and in reliance on the representations and warranties of the Loan Parties set forth in this Amendment, each of the parties hereto agrees that, effective on the Effective Date:

(a) Section 1.01 of the Credit Agreement is hereby amended by amending and restating the definition of "Final Maturity Date" as follows:

"**Final Maturity Date**" means January 1, 2027.

(b) Section 1.01 of the Credit Agreement is hereby amended by deleting the defined term "First Amendment Financial Statements" in its entirety.

(c) Section 1.01 of the Credit Agreement is hereby amended by adding the following as a new defined term in alphabetical order:

"**Third Amendment Financial Statements**" means (a) the audited consolidated balance sheet of the Borrower and its Subsidiaries for the Fiscal Years ended December 31, 2023, December 31, 2022 and December 31, 2021, and the related consolidated statement of operations, shareholders' equity and cash flows for the Fiscal Year then ended; and (b) the unaudited consolidated balance sheet of the Borrower and its Subsidiaries for the fiscal quarters ended March 31, 2024, June 30, 2024 and September 30, 2024, and the related consolidated statement of operations, shareholder's equity and cash flows for the six months then ended.

(d) Each of Section 6.01(g) and Section 6.01(j) of the Credit Agreement is hereby amended by replacing each reference to "First Amendment Financial Statements" with "Third Amendment Financial Statements".

SECTION 2. Representations and Warranties of the Loan Parties. Each Loan Party hereby represents and warrants, as of the Effective Date, as follows:

(a) The Borrower and each of its Restricted Subsidiaries (i) is a corporation, limited liability company or limited partnership duly organized, validly existing and in good standing under the laws of the state or jurisdiction of its organization or formation, (ii) has all requisite entity power and authority to conduct its business as now conducted and as presently contemplated and, in the case of the Borrower, to make the borrowings under the Credit Agreement, and, in the case of the Loan Parties, to execute and deliver this Amendment and to consummate the transactions contemplated hereby and (iii) is duly qualified to do business and is in good standing in each jurisdiction in which the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary, except (solely for the purposes of this subclause (iii)) where the failure to be so qualified and in good standing could not reasonably be expected to have a Material Adverse Effect.

(b) The execution, delivery and performance by each Loan Party of this Amendment, (i) have been duly authorized by all necessary action, (ii) do not and will not contravene (A) any of its Governing Documents, (B) any applicable Requirement of Law (including any and all Gaming Laws) or (C) any Contractual Obligation binding on or otherwise affecting it or any of its properties, (iii) do not and will not result in or require the creation of any Lien (other than pursuant to any Loan Document) upon or with respect to any of its properties, and (iv) do not and will not result in any default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal of any permit, license, authorization or approval (including any and all Gaming Licenses) applicable to its operations or any of its properties, except, in the case of clauses (ii)(B), (ii)(C) or (iv), to the extent where such contravention, default, noncompliance, suspension, revocation, impairment, forfeiture or nonrenewal could not reasonably be expected to have a Material Adverse Effect.

(c) This Amendment has been duly executed and delivered by each Loan Party party hereto, and this Amendment is a legal, valid and binding obligation of such Person, enforceable against such Person in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

(d) No Default or Event of Default has occurred and is continuing on the Effective Date or would result from this Amendment or any other Loan Documents becoming effective in accordance with its or their respective terms.

(e) After giving effect to the transactions contemplated by this Amendment and before and after giving effect to the Revolving Loans made, and the Letters of Credit issued, the Borrower and its Restricted Subsidiaries on a consolidated basis are Solvent. No transfer of property is being made by the Borrower or any of its Restricted Subsidiaries and no obligation is being incurred by the Borrower or any of its Restricted Subsidiaries in connection with the transactions contemplated by this Amendment or the other Loan Documents with the intent to hinder, delay, or defraud either present or future creditors of the Borrower or any of its Restricted Subsidiaries.

(f) The representations and warranties contained in Article VI of the Credit Agreement and in each other Loan Document, certificate or other writing delivered to any Secured Party pursuant hereto or thereto on or prior to the date hereof are true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of the date hereof as though made on and as of the date hereof, except to the extent that any such representation or warranty expressly relates solely to an earlier date (in which case such representation or warranty shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representations or warranties that already are qualified or modified as to "materiality" or "Material Adverse Effect" in the text thereof, which representations and warranties shall be true and correct in all respects subject to such qualification) on and as of such earlier date).

SECTION 3. Effectiveness. This Amendment shall be effective at the time that each of the conditions precedent set forth in this Section 3 shall have been satisfied or waived (such date, the "Effective Date"):

(a) Amendment. The Administrative Agent shall have received duly executed counterparts of this Amendment signed by the Loan Parties, each Lender party hereto (constituting all of the Lenders), each Issuing Lender and the Administrative Agent.

(b) Representations and Warranties. The representations and warranties set forth in Section 2 shall be true, correct and complete in all respects as of the Effective Date.

(c) No Default or Event of Default. No Default or Event of Default has occurred and is continuing on the Effective Date or would result from this Amendment becoming effective in accordance with its or their respective terms.

(d) Expenses. The Borrower shall have paid on or before the Effective Date all fees, costs and expenses then payable pursuant to the Credit Agreement and the other Loan Documents (including this Amendment), including, without limitation, pursuant to Section 12.04 of the Credit Agreement (including, without limitation, reasonable legal fees and expenses of Latham & Watkins LLP).

(e) Legal Opinions. The Administrative Agent shall have received legal opinions of (i) Brownstein Hyatt Farber Schreck LLP, and (ii) Dentons Bingham Greenebaum LLP, counsel to the Loan Parties, as to such matters as the Administrative Agent and the Lenders may reasonably request, in each case, dated as of the Effective Date.

(f) Secretary's Certificates. The Administrative Agent shall have received a certificate of an Authorized Officer of each Loan Party, dated as of the Effective Date, (I) certifying (A) as to copies of the Governing Documents of such Loan Party, together with all amendments thereto (including, without limitation, a true and complete copy of the charter, certificate of formation, certificate of limited partnership or other publicly filed organizational document of each Loan Party certified as of a recent date by an appropriate official of the jurisdiction of organization of such Loan Party which shall set forth the same complete name of such Loan Party as is set forth herein and the organizational number of such Loan Party, if an organizational number is issued in such jurisdiction), (B) as to a copy of the resolutions of such Loan Party authorizing the transactions contemplated by this Amendment and the execution, delivery and performance by such Loan Party of this Amendment and the execution and delivery of the other documents to be delivered by such Person in connection herewith and (C) the names and true signatures of the representatives of such Loan Party authorized to sign each Loan Document to which such Loan Party is or will be a party and the other documents to be executed and delivered by such Loan Party in connection herewith or therewith, together with evidence of the incumbency of such authorized officers and (II) attaching a certificate of the appropriate official(s) of the jurisdiction of organization of each Loan Party certifying as of a recent date as to the subsistence in good standing of, and the payment of taxes by, such Loan Party in such jurisdiction.

(g) Closing Certificate. The Administrative Agent shall have received a certificate of an Authorized Officer of the Borrower, dated as of the Effective Date, certifying as to (i) the satisfaction of the conditions set forth in this Section 3 and (ii) the compliance with the representations and warranties set forth in Section 6.01(g) of the Credit Agreement.

(h) Solvency Certificate. The Administrative Agent shall have received a certificate of an Authorized Officer of the Borrower, dated as of the Effective Date, certifying as to the solvency of the Borrower and the Loan Parties on a consolidated basis (before and after giving effect to the transactions on the Effective Date).

(i) Approvals. All material consents, authorizations and approvals of, and filings and registrations with, and all other actions in respect of, any Governmental Authority (including any Gaming Authority) or other Person required in connection with this Amendment (including the extensions of credit hereunder) and the other Loan Documents shall have been obtained and shall be in full force and effect.

(j) Know-Your-Customer Requirements. The Administrative Agent and the Lenders shall have received all documentation and other information reasonably requested at least five (5) Business Days prior to the Effective Date that is required by regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act, and all such documentation and other information shall be in form and substance reasonably satisfactory to the Administrative Agent and the Lenders.

(k) Beneficial Ownership Certification. The Administrative Agent and the Lenders shall have received, at least two (2) Business Days prior to the Effective Date (or such later date as agreed to by the Administrative Agent and the Lenders), a Beneficial Ownership Certification in relation to the Borrower if it qualifies as a "legal entity customer" under the Beneficial Ownership Regulation to the extent requested not less than ten (10) Business Days prior to the Effective Date.

(l) Flood Insurance Requirements. The Administrative Agent shall have received evidence as to (A) whether any Mortgaged Property is a Flood Hazard Property and (B) if any Mortgaged Property is a Flood Hazard Property, (x) whether the community in which such Mortgaged Property is located is participating in the National Flood Insurance Program, (y) the applicable Loan Party's written acknowledgment of receipt of written notification from the Administrative Agent (I) as to the fact that such Mortgaged Property is a Flood Hazard Property and (II) as to whether the community in which each such Flood Hazard Property is located is participating in the National Flood Insurance Program and (z) copies of insurance policies or certificates of insurance of the Borrower and its Restricted Subsidiaries evidencing flood insurance reasonably satisfactory to the Administrative Agent and naming the Collateral Trustee as lenders loss payee on behalf of the Lenders.

SECTION 4. Post-Effective Date Matters. Notwithstanding anything to the contrary set forth in this Amendment, within five (5) Business Days after the Effective Date (or such later date as the Administrative Agent shall approve in writing in its sole discretion), the Administrative Agent shall have received the results of searches for any effective UCC financing statements, tax Liens or judgment Liens filed against any Loan Party or its property, which results shall not show any such Liens (other than Permitted Liens).

SECTION 5. Reaffirmation. Each Loan Party (a) acknowledges and agrees that all of such Loan Party's obligations under the Loan Documents (as amended, modified, extended or affected hereby) to which it is a party are reaffirmed and remain in full force and effect on a continuous basis as amended, modified, extended or affected by this Amendment, (b) reaffirms each Lien and security interest granted by it to the Collateral Trustee for the benefit of the Secured Parties to secure the Obligations (as amended, modified, extended or affected hereby) and the Guarantees of the Obligations (as amended, modified, extended or affected hereby) made by it pursuant to the Credit Agreement and (c) acknowledges and agrees that the grants of Liens and security interests by and the Guarantees of the Loan Parties contained in the Credit Agreement and the other Loan Documents are, and shall remain, in full force and effect after giving effect to this Amendment and the Credit Agreement and the transactions contemplated hereby and thereby. Each Loan Party hereby consents to the amendments to the Credit Agreement effectuated hereby.

SECTION 6. Release. Subject to the occurrence of the Effective Date, each Loan Party hereby releases the Administrative Agent, the Lenders, the other Secured Parties and each of their Affiliates and subsidiaries and each of their respective officers, directors, employees, shareholders, agents and representatives as well as their respective successors and assigns (collectively, the "Released Parties") from any and all claims, obligations, rights, causes of action, and liabilities, of whatever kind or nature, whether known or unknown, arising before the Effective Date, which any Loan Party ever had, now has or, to the extent arising prior to the Effective Date, hereafter shall have for, upon or by reason of any matter, cause or thing whatsoever, which are based upon, arise under or are related to the Loan Documents; provided that, the foregoing release shall not extend to any claim arising out of the bad faith, gross negligence, fraud or willful misconduct of any Released Party as determined by a final non-appealable judgment by a court of competent jurisdiction. Notwithstanding anything to the contrary contained above, the foregoing release does not apply to any claims, obligations, rights, causes of action, and liabilities (or losses, damages, judgments, levies and executions resulting therefrom) first arising on or after the Effective Date.

SECTION 7. Reference to and Effect upon the Loan Documents.

(a) Except as expressly modified hereby, all terms, conditions, covenants, representations and warranties contained in the Credit Agreement and the other Loan Documents before giving effect to this Amendment, and all rights of the members of the Secured Parties and all of the Obligations, shall remain in full force and effect. Each of the Loan Parties hereby confirms that the Credit Agreement and the other Loan Documents are in full force and effect and that, as of the Effective Date, no Loan Party has any right of setoff, recoupment or other offset or any defense, claim or counterclaim with respect to any of the Obligations, the Credit Agreement or any other Loan Document and nothing herein shall be deemed or otherwise construed to constitute a course of dealing between the parties hereto.

(b) Except as expressly provided herein, the execution, delivery and effectiveness of this Amendment shall not directly or indirectly (i) constitute a consent or waiver of any past, present or future violations of any provisions of the Credit Agreement, this Amendment or any other Loan Document, (ii) except as expressly provided herein, amend, modify or operate as a waiver of any provision of the Credit Agreement or any other Loan Documents or any right, power or remedy of any Secured Party or (iii) constitute a course of dealing or other basis for altering any obligations or any other contract or instrument.

(c) From and after the Effective Date, (i) all references to "Agreement," "hereunder," "hereof" or words of like import in the Credit Agreement and all references to the term "Credit Agreement," "thereunder," "thereof" or words of like import in any other Loan Document shall mean and be a reference to the Credit Agreement as amended hereby, and (ii) the term "Loan Documents" in the Credit Agreement and the other Loan Documents shall include this Amendment.

(d) Neither the Administrative Agent nor any Lender has waived, is by this Amendment waiving or has any intention of waiving (regardless of any delay in exercising such rights and remedies) any Default or Event of Default which may be continuing on the Effective Date or any Default or Event of Default which may occur after the Effective Date, and neither the Administrative Agent nor any Lender has agreed to forbear with respect to any of its rights or remedies concerning any Defaults or Events of Default, which may have occurred or are continuing as of the Effective Date, or which may occur after the Effective Date.

(e) The parties hereto expressly acknowledge that it is not their intention that this Amendment or any of the other Loan Documents executed or delivered pursuant hereto constitute a satisfaction, reinstatement, novation or release of any of the obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document, but rather constitute a modification thereof or supplement thereto pursuant to the terms contained herein.

SECTION 8. Costs and Expenses. The expense reimbursement provisions set forth in Section 12.04 (*Expenses; Attorneys' Fees*) of the Credit Agreement shall apply to this Amendment *mutatis mutandis*.

SECTION 9. Governing Law; Consent to Jurisdiction; Service of Process and Venue; Waiver of Jury Trial, Etc. Each party hereto agrees that Sections 12.09 (*Governing Law*), 12.10 (*Consent to Jurisdiction; Service of Process and Venue*) and 12.11 (*Waiver of Jury Trial, Etc*.) of the Credit Agreement shall apply to this Amendment *mutatis mutandis*.

SECTION 10. Headings. Headings used in this Amendment are for convenience only and shall not affect the interpretation of any provision hereof.

SECTION 11. Severability. Any provision of this Amendment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

SECTION 12. Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Amendment by electronic transmission shall be equally as effective as delivery of an original executed counterpart of this Amendment. The words "execution," "execute," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Amendment and the transactions contemplated hereby shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it. Each of the parties represents and warrants to the other parties that it has the corporate capacity and authority to execute this Amendment through electronic means and there are no restrictions for doing so in that party's constitutive documents.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their respective duly authorized officers as of the date first above written.

BORROWER:

FULL HOUSE RESORTS, INC.

By: /s/ Lewis Fanger
Name: Lewis Fanger
Title: Senior Vice President, Chief Financial Officer and Treasurer

GUARANTORS:

FHR-ATLAS LLC

By: /s/ Lewis Fanger
Name: Lewis Fanger
Title: Vice President and Treasurer

FHR-COLORADO LLC

By: /s/ Lewis Fanger
Name: Lewis Fanger
Title: Vice President and Treasurer

FULL HOUSE SUBSIDIARY, INC.

By: /s/ Lewis Fanger
Name: Lewis Fanger
Title: Vice President and Treasurer

FULL HOUSE SUBSIDIARY II, INC.

By: /s/ Lewis Fanger
Name: Lewis Fanger
Title: Vice President and Treasurer

GAMING ENTERTAINMENT (INDIANA) LLC

By: /s/ Lewis Fanger
Name: Lewis Fanger
Title: Vice President and Treasurer

GAMING ENTERTAINMENT (KENTUCKY) LLC

By: /s/ Lewis Fanger
Name: Lewis Fanger
Title: Vice President and Treasurer

GAMING ENTERTAINMENT (NEVADA) LLC

By: /s/ Lewis Fanger
Name: Lewis Fanger
Title: Vice President and Treasurer

RICHARD AND LOUISE JOHNSON, LLC

By: /s/ Lewis Fanger
Name: Lewis Fanger
Title: Vice President and Treasurer

SILVER SLIPPER CASINO VENTURE LLC

By: /s/ Lewis Fanger
Name: Lewis Fanger
Title: Vice President and Treasurer

STOCKMAN'S CASINO

By: /s/ Lewis Fanger
Name: Lewis Fanger
Title: Vice President and Treasurer

FHR-ILLINOIS LLC

By: /s/ Lewis Fanger
Name: Lewis Fanger
Title: Vice President and Treasurer

CAPITAL ONE, NATIONAL ASSOCIATION, as
Administrative Agent, an Issuing Lender and a Lender

By: /s/ Dimitry Zagarsky
Name: Dimitry Zagarsky
Title: Duly Authorized Signatory

[SIGNATURE PAGE TO THIRD AMENDMENT TO CREDIT AGREEMENT]

Exhibit 19.1

FULL HOUSE RESORTS POLICIES AND PROCEDURES:
INSIDER TRADING

The Need for a Policy

As you may know, the U.S. Securities and Exchange Commission ("SEC") and the U.S. Justice Department vigorously pursue violations of insider trading laws. We have concluded that if we do not take active steps to adopt preventive policies and procedures covering securities trades by personnel of Full House Resorts, Inc., and its subsidiaries (collectively, "Full House") the consequences could be severe.

Accordingly, we are adopting this policy to avoid even the appearance of improper securities trading conduct on the part of anyone employed by or associated with Full House (not just so-called "insiders"). We have all worked hard to establish our reputation for integrity and ethical conduct and cannot afford to have it damaged.

The Scope of the Policy

As a director, officer, employee, consultant or independent contractor of Full House, this policy applies to you. The same restrictions that apply to you also apply to your family members who reside with you, anyone else who lives in your household and any family members who do not live in your household but whose transactions in Full House securities are directed by you or are subject to your influence or control (such as parents or children who consult with you before they trade in Full House securities). You are responsible for making sure the purchase or sale of any security covered by this policy by any such person complies with this policy.

In addition, the prohibition on insider trading in this policy is not limited to trading in Full House securities. It includes trading in the securities of other firms, such as customers or suppliers of Full House and those with which Full House has contractual relationships or may be negotiating major transactions, such as an acquisition, investment, or sale. Information that is not material to Full House may nevertheless be material to one of those other firms.

Trading includes purchases and sales, offers to purchase or sell, or other transfers of stock, derivative securities such as put and call options and convertible debentures or preferred stock, and debt securities (debentures, bonds and notes). This policy's trading restrictions generally do not apply to the exercise of a stock option or anti-dilution warrant. The trading restrictions do apply, however, to any sale of the underlying stock or to a cashless exercise of the option or warrant through a broker, as this entails selling a portion of the underlying stock to cover the costs of exercise.

The Consequences

The consequences of insider securities trading violations can be staggering.

For individuals who trade on inside information (or tip information to others):

- A civil penalty of up to three times the profit gained or loss avoided;
- A criminal fine (no matter how small the profit) of up to $5 million; and
- A jail term of up to twenty years.

For a supervisory person that fails to take appropriate steps to prevent illegal trading:

- A civil penalty of the greater of $2,301,065 (as adjusted annually for inflation) or three times the profit gained or loss avoided as a result of the individual's violation.

For a company that fails to take appropriate steps to prevent illegal trading:

- A civil penalty of the greater of $2,301,065 (as adjusted annually for inflation) or three times the profit gained or loss avoided as a result of the employee's violation; and

- A criminal fine of up to $25 million.

Moreover, if an employee violates this policy, Full House may impose sanctions, including dismissal for cause. Needless to say, any of the above consequences, even an SEC investigation that does not result in prosecution, can tarnish one's reputation and irreparably damage a career. Any exceptions to this policy, if permitted, must be granted by the General Counsel before any activity contrary to this policy takes place.

Our Policy

If you have material non-public information relating to Full House, it is our policy that neither you nor any related person may buy or sell, or offer to buy or sell, Full House securities or engage in any other action to take advantage of, or pass on to others, that information. This policy also applies to information relating to any other company, including our customers, suppliers or contractors, which you obtained in the course of your employment with Full House.

Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for any emergency expenditure) are no exception. Even the appearance of an improper transaction must be avoided to preserve our reputation for adhering to the highest standards of conduct.

Employment with the Company. As used in this policy, "employment with the Company" includes being a director of the Company, being employed by the Company, and being a consultant or independent contractor with the Company.

Material Information. Material information is any information that a reasonable investor would consider important in a decision to buy, hold or sell securities. In short, it is any information which could reasonably be expected to affect the price of the security. Common examples of information that will frequently be regarded as material include, but are not limited to: projections of future sales; earnings or losses; news of a pending or proposed merger, acquisition or tender offer, even if preliminary; news of a significant purchase or sale of assets, or the acquisition or disposition of a subsidiary; changes in dividend policies; the declaration of a stock split; the offering of additional securities; changes in management; significant new products or discoveries; significant contracts or agreements; impending bankruptcy or financial liquidity problems; the gain or loss of a substantial customer or supplier; significant write-downs in assets or increases in reserves; developments regarding significant litigation or government investigations; extraordinary borrowings; changes in debt ratings; pending statistical reports (such as consumer price index, money supply, retail figures and interest rate developments); and other significant events involving or affecting Full House. Material information is not limited to historical facts but may also include projections or forecasts. Either positive or negative information may be material.

Nonpublic Information. The fact that information may be in your possession or may be disclosed to a few members of the general public does not mean the information is public for insider trading purposes. Information is public when it has been broadly disseminated in a manner that is designed to reach investors, and investors have been given time to receive and act upon the information. If you are not sure whether information is considered public, you should either consult with the General Counsel or assume the information is nonpublic and treat it as confidential.

Twenty-Twenty Hindsight. If your securities transactions become the subject of scrutiny, they will be viewed afterthefact with the benefit of hindsight. As a result, before engaging in any transaction, you should carefully consider how regulators and others might view your transaction in hindsight.

Tipping Information to Others. Whether the information is proprietary information about Full House or information that could have an impact on the price of our securities, employees must not pass the information on to others. The above penalties apply, whether or not you derive any benefit from another's actions. In fact, the SEC has imposed significant penalties on tippers even though they did not profit from the tippee's trading.

When Information is Public. You may not enter a trade immediately after Full House has made a public announcement of material information, including earnings releases. Because our shareholders and the investing public should be afforded the time to receive the information and act upon it, you may not engage in any transactions until after the close of business on the second full business day after the day the information was released. Thus, if an announcement is made on a Monday, Thursday would be the first day on which you may trade. Similarly, if an announcement is made on a Friday, Wednesday would be the first day you may trade.

Additional Prohibited Transactions. Because we believe it is improper and inappropriate for you to engage in short-term or speculative transactions involving Full House securities, you may not engage in any of the following activities with respect to Full House securities.

1. Trading in securities on a short-term basis. Any Full House securities purchased in the open market should be held for a minimum of six months and ideally longer. (Note that the SEC's short-swing profit rule requires officers, directors and more than 10% shareholders to disgorge any "profit" made from purchase and sale transactions in Full House securities made within six months of each other.[1] We are simply expanding this rule to include all employees. However, the rule does not apply to stock option exercises, except to the extent required for officers and directors.)

2. Purchases of Full House securities on margin or holding Full House securities in a margin account.

3. Short sales of Full House securities.

4. Buying or selling puts or calls, or other derivative securities, of Full House securities.

5. Pledging Full House securities as collateral for a loan.

6. Hedging or monetizing transactions or similar arrangements with respect to Full House securities.

Company Assistance. Remember, the ultimate responsibility for adhering to this policy and avoiding improper transactions rests with you. However, if you have any questions about this policy or specific transactions, you may obtain additional guidance from our General Counsel at (702) 221-7800. Do not try to resolve uncertainties on your own, as the rules relating to insider trading are often complex, not always intuitive and carry severe consequences.

Pre-Clearance of All Trades by Directors, Officers and Other Key Personnel. To provide assistance in preventing inadvertent violations and avoiding even the appearance of an improper transaction (which could result, for example, where an officer engages in a trade while unaware of a pending major development), all transactions in Full House securities (acquisitions, dispositions, transfers, etc.) by directors, officers and other key personnel must be pre-cleared by our General Counsel. You will be notified by our General Counsel if you are considered key personnel and as such are subject to these procedures. If you contemplate a transaction, you should contact our General Counsel three business days in advance of the proposed transaction to request a written authorization for the trade. Our General Counsel is under no obligation to approve a trade submitted for pre-clearance and may determine not to permit the trade. Our General Counsel may not trade in Full House securities unless our Chief Financial Officer, in consultation with outside legal counsel, approves the trade. This pre-clearance requirement does not apply to stock option exercises but would cover sales of stock acquired pursuant to the exercise of stock options.

Blackout Procedures. All directors, executive officers and other key personnel are subject to the following blackout procedures. You will be notified by our General Counsel if you are considered key personnel and as such are subject to these procedures.

The announcement of our quarterly financial results almost always has the potential to have a material effect on the market for Full House securities. Therefore, to avoid even the appearance of trading on the basis of material nonpublic information, you may not trade in Full House securities during the period beginning two weeks before the last day of a quarter and ending after the close of business on the second full business day following the day that our earnings for that quarter are publicly released.

[1] In this context, "profit" means the difference between the purchase price and the sale price, regardless of the order in which the trades took place. For purposes of this rule, "profit" includes purchase and sale transactions that were a net loss to the investor.

We may on occasion issue interim earnings guidance or other potentially material information by means of a press release, SEC filing on Form 8-K or other means designed to achieve widespread dissemination of the information. You should anticipate that trading will be blacked out anytime we are in the process of assembling the information to be released and until the information has been released and fully absorbed by the market.

From time to time, an event may occur that is material to Full House and is known by only a few directors or executives. So long as the event remains material and nonpublic, the persons who are aware of the event, as well as other persons covered by the quarterly earnings blackout procedures, may not trade in Full House securities. The existence of an eventspecific blackout will not be announced, other than to those who are aware of the event giving rise to the blackout. If, however, your trades are subject to pre-clearance and you request permission to trade in Full House securities during an event-specific blackout, our General Counsel will inform you of the existence of a blackout period, without disclosing the reason for the blackout. If you are made aware of the existence of an event-specific blackout, you should not disclose the existence of the blackout to any other person. The failure of our General Counsel to designate you as being subject to an event-specific blackout will not relieve you of the obligation not to trade while aware of material nonpublic information.

Even if a blackout period is not in effect, at no time may you trade in Full House securities if you are aware of material nonpublic information about Full House.

Exception for Approved 10b5-1 Plans. A 10b5-1 plan is a predetermined set of written instructions that either (1) specifies (including by formula) the amount, pricing and timing of securities transactions in advance or (2) delegates discretion on those matters to an independent third party. Rule 10b5-1 provides an affirmative defense from insider trading liability under the federal securities laws for such plans that meet certain requirements. In general, a 10b5-1 plan must be entered into before you are aware of material nonpublic information. Once the plan is adopted, you must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade.

Your trades in Full House securities that are executed pursuant to an approved 10b5-1 plan are not subject to the prohibition on trading on the basis of material nonpublic information contained in this policy or to the restrictions set forth above relating to pre-clearance procedures and blackout periods. However, duplicates of trade confirmations must be promptly submitted to the General Counsel.

We require that all 10b5-1 plans be approved in writing by our General Counsel at least five days prior to the entry into or modification of the 10b5-1 plan. 10b5-1 plans may not be adopted or modified during a blackout period and may only be adopted or modified before you are aware of material nonpublic information. The 10b5-1 plan must include a cooling-off period before trading can commence that, for directors or officers, ends on the later of 90 days after the adoption or modification of the 10b5-1 plan or two business days following the disclosure of Full House's financial results in an SEC periodic report for the fiscal quarter in which the 10b5-1 plan was adopted (but in any event, the required cooling-off period is subject to a maximum of 120 days after adoption of the 10b5-1 plan), and for persons other than directors or officers, 30 days following the adoption or modification of a 10b5-1 plan. A person may not enter into overlapping 10b51 plans (subject to certain exceptions) and may only enter into one single-trade 10b5-1 plan during any 12-month period (subject to certain exceptions). Directors and officers must include a representation in their 10b5-1 plan certifying that: (i) they are not aware of any material nonpublic information; and (ii) they are adopting the 10b5-1 plan in good faith and not as part of a plan or scheme to evade the prohibitions in Rule 10b-5. All persons entering into a 10b5-1 plan must act in good faith with respect to that plan.

Certifications

Employees will be required to certify their understanding of and intent to comply with this policy. Officers, directors, and other key employees may be required to certify compliance on an annual basis.

Exhibit 21.1

LIST OF SUBSIDIARIES OF FULL HOUSE RESORTS, INC.

Name of Subsidiary	Jurisdiction of Incorporation
FHR Atlas LLC	Nevada
FHR-Colorado LLC	Nevada
FHR-Illinois LLC	Delaware
Full House Subsidiary, Inc.	Delaware
Full House Subsidiary II, Inc.	Nevada
Gaming Entertainment (Indiana) LLC	Nevada
Gaming Entertainment (Kentucky) LLC	Nevada
Gaming Entertainment (Nevada) LLC	Nevada
Richard and Louise Johnson, LLC	Kentucky
Silver Slipper Casino Venture LLC	Delaware
Stockman's Casino	Nevada

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-282987 on Form S-3 and Registration Statement Nos. 333-204312, 333-219294, and 333-258729 on Form S-8 of our reports dated March 11, 2025, relating to the financial statements of Full House Resorts, Inc. and the effectiveness of Full House Resorts, Inc.'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

Las Vegas, Nevada
March 11, 2025

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO EXCHANGE ACT RULE 13A-14(A)/15(D)-14(A) AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Daniel R. Lee, certify that:

1. I have reviewed this Annual Report on Form 10-K of Full House Resorts, Inc.;

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(s) 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(s) 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 11, 2025

By: /s/ DANIEL R. LEE
Daniel R. Lee
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO EXCHANGE ACT RULE 13A-14(A)/15(D)-14(A) AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Lewis A. Fanger, certify that:

1. I have reviewed this Annual Report on Form 10-K of Full House Resorts, Inc.;

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(s) 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(s) 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 11, 2025

By: /s/ LEWIS A. FANGER
Lewis A. Fanger
Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Daniel R. Lee, Chief Executive Officer of Full House Resorts, Inc. (the "Company"), hereby certify, that, to my knowledge:

(1) The Annual Report on Form 10-K for the year ended December 31, 2024 of the Company as filed with the Securities and Exchange Commission on the date hereof (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 11, 2025

By: /s/ DANIEL R. LEE
Daniel R. Lee
Chief Executive Officer

Exhibit 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Lewis A. Fanger, Chief Financial Officer of Full House Resorts, Inc. (the "Company"), hereby certify, that, to my knowledge:

(1) The Annual Report on Form 10-K for the year ended December 31, 2024 of the Company as filed with the Securities and Exchange Commission on the date hereof (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 11, 2025

By: /s/ LEWIS A. FANGER
Lewis A. Fanger
Chief Financial Officer

Exhibit 97.1

FULL HOUSE RESORTS, INC.

EXECUTIVE OFFICER CLAWBACK POLICY

Approved by the Board of Directors on November 8, 2023 (the "Adoption Date")

I. Purpose

This Executive Officer Clawback Policy describes the circumstances under which Covered Persons of Full House Resorts, Inc. and any of its direct or indirect subsidiaries (the "Company") will be required to repay or return Erroneously-Awarded Compensation to the Company.

This Policy and any terms used in this Policy shall be construed in accordance with any SEC regulations promulgated to comply with Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and the rules adopted by Nasdaq.

Each Covered Person of the Company shall sign an Acknowledgement and Agreement to the Executive Officer Clawback Policy in the form attached hereto as Exhibit A as a condition to his or her participation in any of the Company's incentive-based compensation programs.

II. Definitions

For purposes of this Policy, the following capitalized terms shall have the meaning set forth below:

(a) "Accounting Restatement" shall mean an accounting restatement (i) due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial restatements that is material to the previously issued financial statements (a "Big R" restatement), or (ii) that corrects an error that is not material to previously issued financial statements, but would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (a "little r" restatement).

(b) "Administrator" shall mean the Board or, if delegated by the Board, the Committee.

(c) "Board" shall mean the Board of Directors of the Company.

(d) "Clawback-Eligible Incentive Compensation" shall mean, in connection with an Accounting Restatement, any Incentive-Based Compensation Received by a Covered Person (regardless of whether such Covered Person was serving at the time that Erroneously-Awarded Compensation is required to be repaid) (i) on or after the Nasdaq Effective Date, (ii) after beginning service as a Covered Person, (iii) while the Company has a class of securities listed on a national securities exchange or national securities association and (iv) during the Clawback Period.

(e) "Clawback Period" shall mean, with respect to any Accounting Restatement, the three completed fiscal years immediately preceding the Restatement Date and any transition period (that results from a change in the Company's fiscal year) of less than nine months within or immediately following those three completed fiscal years.

(f) "Committee" shall mean the Compensation Committee of the Board.

(g) "Covered Person" shall mean any person who is, or was at any time, during the Clawback Period, an Executive Officer of the Company. For the avoidance of doubt, Covered Person may include a former Executive Officer that left the Company, retired or transitioned to an employee role (including after serving as an Executive Officer in an interim capacity) during the Clawback Period.

(h) "Erroneously-Awarded Compensation" shall mean the amount of Clawback-Eligible Incentive Compensation that exceeds the amount of Incentive-Based Compensation that otherwise would have been Received had it been determined based on the restated amounts. This amount must be computed without regard to any taxes paid.

(i) "Executive Officer" shall mean the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person (including an officer of the Company's parent(s) or subsidiaries) who performs similar policy-making functions for the Company. For the sake of clarity, at a minimum, all persons who would be executive officers pursuant to Rule 401(b) under Regulation S-K shall be deemed "Executive Officers".

(j) "Financial Reporting Measures" shall mean measures that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and all other measures that are derived wholly or in part from such measures. For purposes of this Policy, Financial Reporting Measures shall include stock price and total stockholder return (and any measures that are derived wholly or in part from stock price or total stockholder return).

(k) "Incentive-Based Compensation" shall have the meaning set forth in Section III below.

(l) "Nasdaq" shall mean The Nasdaq Stock Market.

(m) "Nasdaq Effective Date" shall mean October 2, 2023.

(n) "Policy" shall mean this Executive Officer Clawback Policy, as the same may be amended and/or restated from time to time.

(o) "Received" shall mean Incentive-Based Compensation received, or deemed to be received, in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation is attained, even if the payment or grant occurs after the fiscal period.

(p) "Repayment Agreement" shall have the meaning set forth in Section V(d) below.

(q) "Restatement Date" shall mean the earlier of (i) the date the Board, a committee of the Board or the officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (ii) the date that a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement.

(r) "SARs" shall mean stock appreciation rights.

(s) "SEC" shall mean the U.S. Securities and Exchange Commission.

III. Incentive-Based Compensation

"Incentive-Based Compensation" shall mean any compensation that is granted, earned or vested wholly or in part upon the attainment of a Financial Reporting Measure.

For purposes of this Policy, specific examples of Incentive-Based Compensation include, but are not limited to:

- Non-equity incentive plan awards that are earned based, wholly or in part, based on satisfaction of a Financial Reporting Measure performance goal;
- Bonuses paid from a "bonus pool," the size of which is determined, wholly or in part, based on satisfaction of a Financial Reporting Measure performance goal;
- Other cash awards based on satisfaction of a Financial Reporting Measure performance goal;
- Restricted stock, restricted stock units, performance share units, stock options and SARs that are granted or become vested, wholly or in part, on satisfaction of a Financial Reporting Measure performance goal; and
- Proceeds received upon the sale of shares acquired through an incentive plan that were granted or vested based, wholly or in part, on satisfaction of a Financial Reporting Measure performance goal.

For purposes of this Policy, Incentive-Based Compensation excludes:

- Any base salaries (except with respect to any salary increases earned, wholly or in part, based on satisfaction of a Financial Reporting Measure performance goal);
- Bonuses paid solely at the discretion of the Committee or Board that are not paid from a "bonus pool" that is determined by satisfying a Financial Reporting Measure performance goal;
- Bonuses paid solely upon satisfying one or more subjective standards and/or completion of a specified employment period;
- Non-equity incentive plan awards earned solely upon satisfying one or more strategic measures or operational measures; and
- Equity awards that vest solely based on the passage of time and/or satisfaction of one or more non-Financial Reporting Measures.

IV. Determination and Calculation of Erroneously-Awarded Compensation

In the event of an Accounting Restatement, the Administrator shall promptly determine the amount of any Erroneously-Awarded Compensation for each Covered Person in connection with such Accounting Restatement and shall promptly thereafter provide each Covered Person with a written notice containing the amount of Erroneously-Awarded Compensation and a demand for repayment or return, as applicable.

(a) Cash Awards. With respect to cash awards, the Erroneously-Awarded Compensation is the difference between the amount of the cash award (whether payable as a lump sum or over time) that was Received and the amount that should have been received applying the restated Financial Reporting Measure.

(b) Cash Awards Paid From Bonus Pools. With respect to cash awards paid from bonus pools, the Erroneously-Awarded Compensation is the pro rata portion of any deficiency that results from the aggregate bonus pool that is reduced based on applying the restated Financial Reporting Measure.

(c) Equity Awards. With respect to equity awards, if the shares, options or SARs are still held at the time of recovery, the Erroneously-Awarded Compensation is the number of such securities Received in excess of the number that should have been received applying the restated Financial Reporting Measure (or the value in excess of that number). If the options or SARs have been exercised, but the underlying shares have not been sold, the Erroneously-Awarded Compensation is the number of shares underlying the excess options or SARs (or the value thereof). If the underlying shares have already been sold, then the Administrator shall determine the amount which most reasonably estimates the Erroneously-Awarded Compensation.

(d) Compensation Based on Stock Price or Total Stockholder Return. For Incentive-Based Compensation based on (or derived from) stock price or total stockholder return, where the amount of Erroneously-Awarded Compensation is not subject to mathematical recalculation directly from the information in the applicable Accounting Restatement, the amount shall be determined by the Administrator based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total stockholder return upon which the Incentive-Based Compensation was Received (in which case, the Administrator shall maintain documentation of such determination of that reasonable estimate and provide such documentation to Nasdaq in accordance with applicable listing standards).

V. Recovery of Erroneously-Awarded Compensation

Once the Administrator has determined the amount of Erroneously-Awarded Compensation recoverable from the applicable Covered Person, the Administrator shall take all necessary actions to recover the Erroneously-Awarded Compensation. Unless otherwise determined by the Administrator, the Administrator shall pursue the recovery of Erroneously-Awarded Compensation in accordance with the below:

(a) Cash Awards. With respect to cash awards, the Administrator shall either (i) require the Covered Person to repay the Erroneously-Awarded Compensation in a lump sum in cash (or such property as the Administrator agrees to accept with a value equal to such Erroneously-Awarded Compensation) within ninety (90) days following the Restatement Date or (ii) if approved by the Administrator, offer to enter into a Repayment Agreement. If the Covered Person accepts such offer and signs the Repayment Agreement within a reasonable time as determined by the Administrator, the Company shall countersign such Repayment Agreement.

(b) Unvested Equity Awards. With respect to those equity awards that have not yet vested, the Administrator shall take all necessary action to cancel, or otherwise cause to be forfeited, the awards in the amount of the Erroneously-Awarded Compensation.

(c) Vested Equity Awards. With respect to those equity awards that have vested and the underlying shares have not been sold, the Administrator shall take all necessary action to cause the Covered Person to deliver and surrender the underlying shares in the amount of the Erroneously-Awarded Compensation.

In the event that the Covered Person has sold the underlying shares, the Administrator shall either (i) require the Covered Person to repay the Erroneously-Awarded Compensation in a lump sum in cash (or such property as the Administrator agrees to accept with a value equal to such Erroneously-Awarded Compensation) within ninety (90) days following the Restatement Date or (ii) if approved by the Administrator, offer to enter into a Repayment Agreement. If the Covered Person accepts such offer and signs the Repayment Agreement within a reasonable time as determined by the Administrator, the Company shall countersign such Repayment Agreement.

(d) Repayment Agreement. "Repayment Agreement" shall mean an agreement (in a form reasonably acceptable to the Administrator) with the Covered Person for the repayment of the Erroneously-Awarded Compensation as promptly as possible without unreasonable economic hardship to the Covered Person.

(e) Effect of Non-Repayment. To the extent that a Covered Person fails to repay all Erroneously-Awarded Compensation to the Company when due (as determined in accordance with this Policy), the Company or the Administrator on behalf of the Company shall, or shall cause one or more other members of the Company to, take all actions reasonable and appropriate to recover such Erroneously-Awarded Compensation from the applicable Covered Person. The applicable Covered Person shall be required to reimburse the Company for any and all expenses reasonably incurred (including legal fees) by the Company in recovering such Erroneously-Awarded Compensation in accordance with the immediately preceding sentence.

The Administrator shall have broad discretion to determine the appropriate means of recovery of Erroneously-Awarded Compensation based on all applicable facts and circumstances and taking into account the time value of money and the cost to stockholders of delaying recovery. However, in no event may the Company or the Administrator on behalf of the Company accept an amount that is less than the amount of Erroneously-Awarded Compensation in satisfaction of a Covered Person's obligations hereunder.

VI. Discretionary Recovery

Notwithstanding anything herein to the contrary, neither the Company nor the Administrator on behalf of the Company shall be required to take action to recover Erroneously-Awarded Compensation if any one of the following conditions are met and the Administrator determines that recovery would be impracticable:

(a) The direct expenses paid to a third party to assist in enforcing this Policy against a Covered Person would exceed the amount to be recovered, after the Company has made a reasonable attempt to recover the applicable Erroneously-Awarded Compensation, documented such attempts and provided such documentation to Nasdaq;

(b) Recovery would violate home country law where that law was adopted prior to November 28, 2022, provided that, before determining that it would be impracticable to recover any amount of Erroneously-Awarded Compensation based on violation of home country law, the Company has obtained an opinion of home country counsel, acceptable to Nasdaq, that recovery would result in such a violation and a copy of the opinion is provided to Nasdaq; or

(c) Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

VII. Reporting and Disclosure Requirements

The Company shall file all disclosures with respect to this Policy in accordance with the requirements of the federal securities laws, including the disclosure required by the applicable filings required to be made with the SEC.

VIII. Effective Date

This Policy shall apply to any Incentive-Based Compensation Received on or after the Nasdaq Effective Date.

IX. No Indemnification

The Company shall not indemnify any Covered Person against the loss of Erroneously-Awarded Compensation and shall not pay, or reimburse any Covered Persons for premiums, for any insurance policy to fund such Covered Person's potential recovery obligations.

X. Administration

The Administrator has the sole discretion to administer this Policy and ensure compliance with Nasdaq Rules and any other applicable law, regulation, rule or interpretation of the SEC or Nasdaq promulgated or issued in connection therewith. Actions of the Administrator pursuant to this Policy shall be taken by the vote of a majority of its members. The Administrator shall, subject to the provisions of this Policy, make such determinations and interpretations and take such actions as it deems necessary, appropriate or advisable. All determinations and interpretations made by the Administrator shall be final, binding and conclusive.

XI. Amendment; Termination

The Administrator may amend this Policy from time to time in its discretion and shall amend this Policy as it deems necessary, including as and when it determines that it is legally required by any federal securities laws, SEC rule or the rules of any national securities exchange or national securities association on which the Company's securities are then listed. The Administrator may terminate this Policy at any time. Notwithstanding anything in this Section XI to the contrary, no amendment or termination of this Policy shall be effective if such amendment or termination would (after taking into account any actions taken by the Company contemporaneously with such amendment or termination) cause the Company to violate any federal securities laws, SEC rule, or the rules of any national securities exchange or national securities association on which the Company's securities are then listed.

XII. Other Recoupment Rights; No Additional Payments

The Administrator intends that this Policy will be applied to the fullest extent of the law. The Administrator may require that any employment agreement, equity award agreement or any other agreement entered into on or after the Adoption Date shall, as a condition to the grant of any benefit thereunder, require a Covered Person to agree to abide by the terms of this Policy. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other rights under applicable law, regulation or rule or pursuant to the terms of any similar policy in any employment agreement, equity plan, equity award agreement or similar arrangement and any other legal remedies available to the Company. However, this Policy shall not provide for recovery of Incentive-Based Compensation that the Company has already recovered pursuant to Section 304 of the Sarbanes-Oxley Act or other recovery obligations.

XIII. Successors

This Policy shall be binding and enforceable against all Covered Persons and their beneficiaries, heirs, executors, administrators or other legal representatives.

Exhibit A

ACKNOWLEDGEMENT AND AGREEMENT
TO THE
EXECUTIVE OFFICER CLAWBACK POLICY
OF
FULL HOUSE RESORTS, INC.

By signing below, the undersigned acknowledges and confirms that the undersigned has received and reviewed a copy of Full House Resorts, Inc.'s Executive Officer Clawback Policy (the "Policy"). Capitalized terms used but not otherwise defined in this Acknowledgement Form (this "Acknowledgement Form") shall have the meanings ascribed to such terms in the Policy.

By signing this Acknowledgement Form, the undersigned acknowledges and agrees that the undersigned is and will continue to be subject to the Policy and that the Policy will apply both during and after the undersigned's employment with the Company. Further, by signing below, the undersigned agrees to abide by the terms of the Policy, including, without limitation, by returning any Erroneously-Awarded Compensation (as defined in the Policy) to the Company to the extent required by, and in a manner permitted by, the Policy.

Signature

Name

Date

Exhibit 99.1

DESCRIPTION OF GOVERNMENTAL GAMING REGULATIONS

Nevada Regulatory Matters

In order to own or lease Stockman's Casino, the Grand Lodge Casino or any other gaming operation in Nevada, we are subject to the Nevada Gaming Control Act and to the licensing and regulatory control of the Nevada Gaming Control Board, the Nevada Gaming Commission, and various local, city and county regulatory agencies.

In May 2006, we applied for registration with the Nevada Gaming Commission as a publicly traded corporation, which was granted on January 25, 2007. We must regularly submit detailed financial and operating reports to the Nevada Gaming Control Board. Certain loans, leases, sales of securities and similar financing transactions must also be reported to or approved by the Nevada Gaming Commission.

The Nevada Gaming Commission may also require anyone who has a material relationship or involvement with us to be found suitable or licensed, in which case those persons are required to pay the costs and fees of the Nevada Gaming Control Board in connection with the investigation.

Any person who acquires more than 5% of any class of our voting securities must report the acquisition to the Nevada Gaming Commission. Any person who becomes a beneficial owner of 10% or more of our voting securities is required to apply for a finding of suitability. The Nevada Gaming Commission may also, in its discretion, require any other holders of our debt or equity securities to file applications to be found suitable to own the debt or equity securities. If the Nevada Gaming Commission determines that a person is unsuitable to own such security, then pursuant to the regulations of the Nevada Gaming Commission, we may be sanctioned, including the loss of our approvals, if, without the prior approval of the Nevada Gaming Commission, we:

- pay to the unsuitable person any dividends, interest or any distribution whatsoever;
- recognize any voting right by such unsuitable person in connection with such securities;
- pay the unsuitable person remuneration in any form; or
- make any payment to the unsuitable person by way of principal, redemption, conversion exchange, liquidation or similar transaction.

Under certain circumstances, an "institutional investor," as such term is defined in the regulations of the Nevada Gaming Commission, which acquires more than 10%, but not more than 25% of our voting securities, may apply to the Nevada Gaming Commission for a waiver of such finding of suitability requirements, provided the institutional investor holds the voting securities for investment purposes only.

Any person who fails or refuses to apply for a finding of suitability or a license within 30 days after being ordered to do so by the Nevada Gaming Commission may be found unsuitable based solely on such failure or refusal.

We are required to maintain a current stock ledger in Nevada which may be examined by the Nevada Gaming Commission at any time, and to file with the Nevada Gaming Commission, at least annually, a list of our stockholders. The Nevada Gaming Commission has the power to require our stock certificates to bear a legend indicating that the securities are subject to the Nevada Gaming Control Act and the regulations of the Nevada Gaming Commission.

As a licensee or registrant, we may not make certain public offerings of our securities without the prior approval of the Nevada Gaming Commission. We have received a waiver of the prior approval requirement with respect to public offerings of securities subject to certain conditions. Also, changes in control through merger, consolidation, acquisition of assets, management or consulting agreements or any form of takeover cannot occur without prior investigation by the Nevada Gaming Control Board and approval by the Nevada Gaming Commission.

The Nevada Legislature has declared that some repurchases of voting securities, corporate acquisitions opposed by management, and corporate defense tactics affecting Nevada gaming licensees, and registered companies that are affiliated with those operations, may be harmful to stable and productive corporate gaming. Because we are a registered company, approvals may be required from the Nevada Gaming Commission before we can make exceptional repurchases of voting securities above their current market price and before a corporate acquisition opposed by management can be consummated. The Nevada Gaming Control Act also requires prior approval of a plan of recapitalization proposed by a registered company's Board in response to a tender offer made directly to its stockholders for the purpose of acquiring control.

Licensee fees and taxes, computed in various ways depending on the type of gaming or activity involved, are payable to the State of Nevada and to the counties and cities in which the Nevada licensee's respective operations are conducted. Depending upon the particular fee or tax involved, these fees and taxes are payable monthly, quarterly or annually and are based upon either:

- a percentage of the gross revenues received;
- the number of gaming devices operated; or
- the number of table games operated.

A live entertainment tax is also paid on admission charges where entertainment is furnished. Nevada licensees that hold a license as an operator of a slot route, a manufacturer or a distributor also pay certain fees and taxes to the State of Nevada.

The Nevada Gaming Commission enacted a cybersecurity regulation in December 2022, which requires us to conduct a risk assessment to develop cybersecurity best practices by December 31, 2023, and designate an individual to be responsible for cybersecurity, as well as to have our independent accountant annually review cybersecurity best practices which we develop. The Nevada regulation also contains reporting obligations to the Nevada Gaming Control Board in the event we experience a cyber-attack. We were in compliance for 2024 and have aligned our practices with recognized industry standards for cybersecurity controls. We view cybersecurity as a shared responsibility and additional discussion can be found in our Annual Report on Form 10-K for the year ended December 31, 2024, under Part I, Item 1C. "Cybersecurity".

Any person who is licensed, required to be licensed, registered, required to be registered, or who is under common control with those persons, collectively, "licensees," and who proposes to become involved in a gaming venture outside of Nevada, is required to deposit with the Nevada Gaming Control Board, and thereafter maintain, a revolving fund in the amount of $10,000 to pay the expenses of investigation by the Nevada Gaming Control Board of the licensee's participation in foreign gaming. We currently comply with this requirement. The revolving fund is subject to increase or decrease at the discretion of the Nevada Gaming Commission. Licensees are required to comply with the reporting requirements imposed by the Nevada Gaming Control Act. A licensee is also subject to disciplinary action by the Nevada Gaming Commission if it:

- knowingly violates any laws of the foreign jurisdiction pertaining to the foreign gaming operation;
- fails to conduct the foreign gaming operation in accordance with the standards of honesty and integrity required of Nevada gaming operations;
- engages in any activity or enters into any association that is unsuitable because it poses an unreasonable threat to the control of gaming in Nevada, reflects or tends to reflect, discredit or disrepute upon the State of Nevada or gaming in Nevada, or is contrary to the gaming policies of Nevada;
- engages in activities or enters into associations that are harmful to the State of Nevada or its ability to collect gaming taxes and fees; or
- employs, contracts with or associates with a person in the foreign operation who has been denied a license or a finding of suitability in Nevada on the ground of unsuitability.

Indiana Regulatory Matters

We own and operate a wholly owned subsidiary, Gaming Entertainment (Indiana) LLC, which acquired and operates Rising Star Casino Resort in Rising Sun, Indiana. The ownership and operation of casino facilities in Indiana are subject to extensive state and local regulation, including primarily the licensing and regulatory control of the Indiana Gaming Commission ("IGC").

The Indiana Riverboat Gaming Act ("Riverboat Act") and the Gambling Games at Racetracks Act, together and as amended (the "Indiana Acts"), allow up to thirteen commercial (non-tribal) casinos in the State of Indiana. Specifically, the IGC has presently authorized: (i) owner's licenses for the operation of four riverboat casinos in counties contiguous to Lake Michigan in northern Indiana, as well as five riverboat casinos in counties contiguous to the Ohio River in southern Indiana; (ii) one operating agent contract permitting a private company to operate a land based casino in French Lick, Indiana; and (iii) two gambling game licenses for the operation of land based casinos at Indiana's two pari-mutuel horse racing tracks. In 2019, the Indiana General Assembly passed legislation that allowed one of the owner's licenses allocated to one of the riverboats previously located in a county contiguous to Lake Michigan in northern Indiana to be moved to a land-based casino in Terre Haute, Indiana. The same legislation allowed the holder of another of the riverboat casino licenses located in northwest Indiana to move to a land-based site, still located in a county contiguous to Lake Michigan, in Gary, Indiana. The Terre Haute casino license was awarded in November of 2021 and the property officially commenced operations on April 5, 2024.

In 2015, Indiana enacted legislation that would have allowed both racinos to begin offering live table games after March 1, 2021. However, the legislation enacted in 2019 (as noted above) enabled the racinos to begin offering live table games on January 1, 2020, which both locations implemented at that time. The 2015 legislation also authorized an increase of each racino's maximum size to 2,200 gambling games (beginning on January 1, 2021), while imposing a cap on the size of all other casino properties that is equal to the greatest number of gambling games offered by the applicable casino property since January 1, 2007. The 2015 legislation also permitted riverboat owners to relocate an owner's gaming operation from a riverboat facility to an inland facility, provided such inland facility is, among other things, located on a parcel that is adjacent to the dock site of the licensed owner's riverboat. Any such inland casino is subject to the same gambling game cap applicable to the riverboat. Since passage of the 2015 legislation, the IGC has demonstrated a willingness to consider and approve requests to relocate certain gaming devices to off-riverboat locations that are adjacent to still-functioning riverboat casinos, thus enabling partial land-based gaming without relocating the entire gaming facility to land.

In 2015, Public Law 255-2015 specified a process for entering into tribal-state compacts concerning Indian Gaming, a procedure not previously contemplated under Indiana law. Prior to that, in May of 2012, the Pokagon Band of Potawatomi Indians (the "Band") submitted to the Bureau of Indian Affairs a fee-to-trust application to take 165 acres of land in South Bend into trust. In 2017, the Band opened a Class II gaming facility in South Bend, Indiana. In 2019, the Band began negotiations with the State of Indiana to enter into a tribal-state compact to allow for Class III gaming at the facility in South Bend, Indiana. In April of 2021, the Indiana General Assembly passed legislation to ratify and codify a tribal-state compact negotiated between the Band and the State of Indiana. In May of 2021, it was announced that the Band had finalized and executed the compact with the State. The Pokagon Band is currently operating a Class III facility in South Bend, Indiana.

The Indiana Acts strictly regulate the facilities, persons, associations and practices related to gaming operations pursuant to the police powers of Indiana, including comprehensive law enforcement provisions. The Indiana Acts vest the IGC with the power and duties of administering, regulating and enforcing the system of casino gaming in Indiana. The IGC's jurisdiction extends to every person, association, corporation, partnership, owner, and trust involved in casino gaming operations in Indiana and grants the IGC the authority to request specific information from all such persons or entities.

An Indiana owner's license allows the licensee to own and operate one riverboat casino per license granted. An owner's license is not a property right and remains, at all times, the property of the State of Indiana. The Riverboat Act allows a person to hold up to a 100% ownership interest in not more than six of any combination of riverboat licenses or gambling game licenses issued under IC 4-35 (racino licenses). Each owner's license is subject to renewal on an annual basis upon a determination by the IGC that the licensee continues to be suitable to hold an owner's license pursuant to the Riverboat Act and the rules and regulations adopted thereunder. A licensee may not lease, hypothecate, borrow money against or lend money against an owner's license. An ownership interest in an owner's license may only be transferred in accordance with the regulations promulgated by the IGC under the Riverboat Act. Gaming Entertainment (Indiana) LLC applied for and, on March 15, 2011, was granted the transfer of a riverboat owner's license. Thereafter, Gaming Entertainment (Indiana) LLC has renewed its license annually, effective on September 15 of each year.

The Riverboat Act requires that a licensed owner undergo a complete re-investigation every three years. If for any reason the license is terminated, the assets of the riverboat gaming operation cannot be disposed of without the approval of the IGC. The IGC also requires a comprehensive disclosure of financial and operating information by licensees, by their principal officers and by their parent corporations.

If an institutional investor acquires a beneficial ownership interest of 5% or more of any class of voting securities of a publicly traded corporation, the investor is required to notify the IGC and may be subject to licensure and a finding of suitability. Institutional investors who acquire a beneficial ownership interest of 15% or more of any class of voting securities are subject to a full investigation and finding of suitability. In addition, the IGC may require an institutional investor that acquires 15% or more of certain non-voting equity units to apply for a finding of suitability. Any person who is not an institutional investor that acquires beneficial ownership of 5% or more of any class of voting securities of a licensee is required to apply for a finding of suitability.

The Riverboat Act prohibits contributions to a candidate for any state, legislative, or local office; to a candidate's committee; or to a regular party committee by: (i) the holder of an owner's license; (ii) a person holding at least 1% interest in an owner licensee; (iii) an officer of an owner licensee; (iv) an officer of a person that holds at least 1% interest in an owner licensee; or (v) a political action committee of an owner licensee. The prohibition on political contributions is applicable while an owner licensee holds the license and for a period of three years following the expiration or termination of such license.

In 2009, the Indiana General Assembly enacted legislation requiring all casino operators to submit for approval by the IGC a written power of attorney identifying a person who would serve as a trustee to temporarily operate the casino in certain rare circumstances, such as: the revocation or non-renewal of any owner's license; the denial of an owner's license to a proposed transferee and the person attempting to sell the riverboat is unable or unwilling to retain ownership or control; the involuntary bankruptcy of the licensed owner; or a licensed owner's agreement in writing to relinquish control of the riverboat. During any time period that the trustee is operating the casino, the trustee has exclusive and broad authority over the casino gambling operations. The IGC most recently approved Gaming Entertainment (Indiana) LLC's power of attorney renewal in September of 2024.

The IGC requires licensees to maintain a cash reserve equal to a licensee's average payout for a three-day period based on the licensee's performance during the prior calendar quarter. The cash reserve can consist of cash on hand, cash maintained in Indiana bank accounts and cash equivalents not otherwise committed or obligated. The IGC also prohibits distributions, other than distributions for the payment of state or federal taxes, by a licensee to its partners, shareholders, itself or any affiliated entity if the distribution would impair the financial viability of the gaming operation.

The Indiana Acts do not limit the maximum bet or loss per patron. Each licensee sets minimum and maximum wagers on its own games. Players must use chips or tokens because, according to the Indiana Acts, wagering may not be conducted with money or other negotiable currency. No person under the age of 21 is permitted to wager or enter a casino. With the exception of permitted sports wagers that are accepted through licensed mobile sports wagering operations, as is discussed in greater detail below, casino wagers may only be made by persons who are physically present at a licensed casino.

Contracts to which Gaming Entertainment (Indiana) LLC is a party are subject to regulatory oversight by the IGC including, in certain circumstances, disclosure and approval processes imposed by Indiana regulations. An owner licensee may not enter into or perform any contract or transaction in which it transfers or receives consideration which is not commercially reasonable or which does not reflect the fair market value of the goods or services rendered or received. All contracts are subject to disapproval and/or cancellation by the IGC.

Through the establishment of purchasing goals for licensees, the IGC encourages minority business enterprises and women business enterprises to participate in the gaming industry. The goals must be derived from the statistical analysis of utilization studies of licensee contracts for goods and services. Any failure by a licensee to meet these goals will be scrutinized heavily by the IGC and the Riverboat Act authorizes the IGC to suspend, limit, or revoke an owner's gaming license, or to impose a fine, if the licensee does not demonstrate compliance within ninety days of a finding of noncompliance.

Pursuant to a 2019 amendment to the graduated wagering tax portion of the Riverboat Act, licensees that receive Adjusted Gross Receipts ("AGR") under $75 million in the preceding state fiscal year are subject to the following graduated wagering taxes (for state fiscal years beginning after June 30, 2021):

- 2.5% on the first $25 million of AGR for state fiscal years beginning after June 30, 2021.
- 10% on the AGR in excess of $25 million, but not exceeding $50 million, for state fiscal years beginning after June 30, 2021.
- 20% on the AGR in excess of $50 million, but not exceeding $75 million, for state fiscal years beginning after June 30, 2021.
- 30% of the AGR in excess of $75 million, but not exceeding $150 million.
- 35% of all AGR in excess of $150 million, but not exceeding $600 million.
- 40% of all AGR exceeding $600 million.

"AGR" is the total of all cash and property received from gaming, less cash paid out as winnings and uncollectible gaming receivables (not to exceed 2%). Legislation passed in 2013 permitted all Indiana casinos to begin deducting from AGR certain amounts attributable to "qualified wagering" incentives. Such qualified wagering incentives (commonly referred to as "free play") are defined as wagers made by patrons using non-cashable vouchers, coupons, electronic credits or electronic promotions offered by a licensee. For state fiscal years ending after June 30, 2013 and before July 1, 2015, the maximum amount of permitted qualified wagering deductions was $5 million per casino. In 2015, that maximum deduction was increased to $7 million for fiscal years following June 30, 2015. In 2019, the maximum deduction was increased to $9 million for fiscal years following June 30, 2021. A licensed owner may assign all or part of the amount of the permitted $9 million deduction that is not claimed by the licensed owner for a state fiscal year to another licensed casino operator.

Pursuant to legislation passed in 2017, as soon as the operator of the Evansville casino relocated its riverboat casino to a land-based facility, it began paying a "supplemental wagering tax" equal to three percent (3%) of AGR in lieu of a previously prescribed admissions tax of $3 per admission. Pursuant to the same 2017 legislation, all other casinos for whom the admissions tax had been applicable (all casinos other than the casino operating in French Lick, Indiana and the two racino properties) began paying a supplemental wagering tax on July 1, 2018. The Supplemental wagering tax rate varies by location based upon a statutory formula but is capped at three and five tenths percent (3.5%) of AGR. The Riverboat Act provides for the suspension or revocation of a license if the wagering taxes, admissions taxes, and/or supplemental wagering taxes are not timely remitted.

Pursuant to a development agreement between the Company and the City of Rising Sun, Indiana, we are required to pay annually to the Rising Sun Regional Foundation a sum equal to either: (i) 1.55% of AGR, if AGR is $150 million or less; or (ii) 1.6% of AGR, if AGR is greater than $150 million.

Real property taxes are imposed on riverboats at rates determined by local taxing authorities. Income to us from Rising Star Casino Resort is also subject to the Indiana adjusted gross income tax, which has traditionally been calculated in a manner that required "adding back" the value of any federal income tax deductions that were allowable for wagering taxes paid to the state. Legislation passed in 2017 permits for the gradual phase-out of the add back calculation, such that beginning in the first taxable year following December 31, 2025, no such add back shall be required. Sales on a riverboat and at its related amenities, other than gaming revenues, are subject to applicable use, excise, and retail taxes. The Riverboat Act requires a licensee to directly reimburse the IGC for costs associated with gaming enforcement agents, which are required to be present at the casino while gaming is conducted.

An owner licensee or an affiliate thereof may enter into debt transactions of $1 million or greater only with the prior approval of the IGC. Such approval is subject to compliance with requisite procedures and a showing that each person with whom the licensee enters into a debt transaction would be suitable for licensure under the Riverboat Act. Unless waived, approval of debt transactions requires consideration by the IGC at two business meetings. The IGC, by resolution, has authorized its executive director, subject to subsequent ratification by the IGC, to approve debt transactions. Such approval may occur following appropriate review of the transaction along with concurrence by: (i) the executive director, (ii) IGC's Chair, and (iii) the IGC member who is a certified public accountant.

The Riverboat Act provides that the sale of alcoholic beverages at casinos is subject to licensing, control and regulation pursuant to Title 7.1 of the Indiana Code and the rules adopted by the Indiana Alcohol and Tobacco Commission.

In 2019, the Indiana General Assembly passed legislation legalizing certain sports wagering and mobile sports wagering activities and operations in the State of Indiana (the "Indiana Sports Wagering Act") (See IC 4-38). In the same year, the IGC approved emergency rules to regulate licensed sports wagering operations. The Indiana Sports Wagering Act allowed sports wagering operations to commence in Indiana on September 1, 2019, subject to regulatory approval by the IGC for individual operators to begin accepting wagers. Permanent sports wagering rules were promulgated in 2021.

Under the Indiana Sports Wagering Act, a licensed operator of an Indiana riverboat casino, a racino, or an off-track facility where horse wagering is allowed (a "Satellite Facility") is granted the opportunity to apply for and receive a Certificate of Authority to conduct sports wagering (thereby becoming a "Certificate Holder"). A Certificate Holder is entitled to operate an on-site retail sportsbook at the casino, racino, or Satellite Facility affiliated with the Certificate of Authority, as well as to contract with up to three individually branded sports wagering vendors (a "Vendor") for the conduct of mobile sports wagering through digital platforms. There are currently sixteen licensed Certificate Holders and twelve licensed mobile Vendors in Indiana. Gaming Entertainment (Indiana) LLC holds a permanent Certificate of Authority, which renews annually in the ordinary course and was last renewed on November 7, 2024, effective November 7, 2024, through November 6, 2025. Rising Star is presently using one of the three mobile Vendors that it is permitted to use under the Certificate of Authority.

Sports wagers may not be placed either in-person at a retail location or via mobile platform by an individual less than 21 years of age. All mobile sports wagering patrons must undergo "Know Your Customer" age and identification verification processes prior to using a mobile device to place sports wagers. This process may be undertaken via mobile device remotely and does not require in-person registration at a casino. Additionally, all mobile sports wagering patrons must undergo geolocation measures prior to placing wagers using an internet or mobile device to ensure their physical presence in the State of Indiana. Each Vendor is subject to corporate and individual licensing and findings of suitability by the IGC and is responsible for compliance with all relevant sports wagering laws and regulations relevant to their retail and/or mobile sports wagering operations. Each of Rising Star's sports wagering Vendors is required by Indiana regulations to perform an annual system integrity and security assessment of sports wagering systems and online sports wagering systems. The assessment must be conducted by an independent professional selected by the Vendor and is subject to the approval of the IGC executive director.

Mississippi Regulatory Matters

Our ownership and operation of the Silver Slipper Casino and Hotel is subject to the Mississippi Gaming Control Act ("Mississippi Act") and to the licensing and regulatory control of the Mississippi Gaming Commission, the Mississippi Department of Revenue and various local, city and county regulatory agencies.

The Mississippi Act provides for legalized gaming in each of the fourteen counties that border the Gulf Coast or the Mississippi River; however, gaming is legal only if the voters in the county have not voted to prohibit gaming in that county. Voters have approved gaming in nine of the fourteen counties and currently occurs in seven counties. The Mississippi Act originally required gaming vessels to be located on the Mississippi River or on navigable waters in eligible counties along the Mississippi River, or in the waters lying south of the counties along the Mississippi Gulf Coast. However, the Mississippi Act was amended to permit licensees in the three counties along the Gulf Coast to establish casino structures that are located in whole or part on shore and land-based casino operations, provided the land-based gaming areas do not extend more than 800 feet beyond the nineteen-year mean high water line, (except in Harrison County where the 800-foot limit can be extended as far as the greater of 800 feet beyond the 19-year mean high water line or the southern boundary of Highway 90). Due to another change in the interpretation of the Mississippi Act, the Mississippi Gaming Commission has also permitted licensees in approved Mississippi River counties to conduct gaming operations on permanent structures, provided that the majority of the gaming floor in any such structure is located on the river side of the "bank full" line of the Mississippi River.

There are no limitations on the number of gaming licenses that may be granted. Further, the Mississippi Act provides for 24-hour gaming operations and does not limit the maximum bet or loss per patron or the percentage of space that may be utilized for gaming. In 2018, the Mississippi Gaming Commission adopted regulations permitting race books and sports pools to be operated by licensed Mississippi gaming operators. Although mobile wagering is permitted, such wagers may be made only while the patron is on the property of a licensed gaming establishment.

Our wholly-owned subsidiary, Silver Slipper Casino Venture LLC, is licensed as the operator of the Silver Slipper Casino and Hotel. A Mississippi gaming licensee must maintain a gaming license from the Mississippi Gaming Commission, subject to certain conditions, including continued compliance with all applicable state laws and regulations. If we fail to satisfy the requirements of the Mississippi Act and regulations, we and Silver Slipper Casino Venture LLC cannot own or operate gaming facilities in Mississippi. Gaming licenses are issued for a three-year period, are not transferable, and must be renewed periodically thereafter. There is no assurance that a new license can be obtained at the end of each three-year period of a license. Silver Slipper Casino and Hotel was most recently granted a renewal of its license by the Mississippi Gaming Commission on June 20, 2024, effective July 20, 2024. The license expires on July 19, 2027.

The Mississippi Act and the Mississippi Gaming Commission regulations require that certain of our officers and directors and certain key employees of Silver Slipper Hotel and Casino be found suitable or approved by the Mississippi Gaming Commission. A finding of suitability is comparable to licensing, and both require submission of detailed personal and financial information followed by a thorough investigation. We believe that we have obtained, applied for or are in the process of applying for all necessary findings of suitability, although the Mississippi Gaming Commission, in its discretion, may require any individual who has a material relationship to, or material involvement with, a licensee to file an application to determine whether the individual is suitable to be associated with a gaming licensee.

As the sole member of Silver Slipper Casino Venture LLC, we applied for registration with the Mississippi Gaming Commission as a publicly traded corporation, which was granted on September 20, 2012. As a registered, publicly traded corporation, we are required periodically to submit financial and operating reports, and any other information that the Mississippi Gaming Commission may require. Certain loans, leases, sales of securities and similar financing transactions must also be reported to or approved by the Mississippi Gaming Commission.

Any person who acquires more than 5% of any class of our voting securities must report the acquisition to the Mississippi Gaming Commission and may be required to file an application for a finding of suitability. If a security holder who must be found suitable is a corporation, partnership or trust, it must submit detailed business and financial information, including a list of its beneficial owners. The Mississippi Gaming Commission may require us to disclose the identities of the holders of our debt or other securities, and, in its discretion, require such holders to file applications, be investigated and be found suitable to own our debt or equity securities. Although the Mississippi Gaming Commission generally does not require the individual holders of such securities to be investigated and found suitable, it retains the right to do so for any reason deemed necessary by the Mississippi Gaming Commission.

If the Mississippi Gaming Commission determines that a person is unsuitable to hold, directly or indirectly, voting securities of a registered publicly traded corporation, any beneficial ownership of such securities by the unsuitable person beyond such period of time as may be prescribed by the Mississippi Gaming Commission is a misdemeanor. We are subject to disciplinary action if, after we receive notice that a person is unsuitable to be a security holder or to have any other relationship with us, we:

- pay that person any dividend or interest upon our voting securities;
- recognize the exercise, directly or indirectly of any voting right conferred through securities held by that person;
- pay the unsuitable person any remuneration in any form for services rendered or otherwise, except in certain limited and specific circumstances; or
- fail to pursue all lawful efforts to require the unsuitable person to divest himself of the securities including, if necessary, the immediate purchase of the securities for cash at fair market value.

Under certain circumstances, an "institutional investor," as such term is defined in the regulations of the Mississippi Gaming Commission, which acquires more than 10%, but not more than 25% of our voting securities, may apply to the Mississippi Gaming Commission for a waiver of such finding of suitability requirements, provided the institutional investor holds the voting securities for investment purposes only.

No person may receive any percentage of gaming revenue from a Mississippi gaming licensee without first obtaining the necessary licensing and approvals from the Mississippi Gaming Commission. The Mississippi Gaming Commission may also require anyone having a material relationship or involvement with us to be found suitable or licensed, in which case those persons are required to pay the costs and fees of the Mississippi Gaming Commission in connection with the investigation. Any person who fails or refuses to apply for a finding of suitability or a license within 30 days after being ordered to do so by the Mississippi Gaming Commission may be found unsuitable based solely on such failure or refusal.

We are required to maintain a current stock ledger in Mississippi, which may be examined by the Mississippi Gaming Commission at any time, and to file with the Mississippi Gaming Commission, at least annually, a list of our stockholders. The Mississippi Gaming Commission has the power to require our stock certificates to bear a legend indicating that the securities are subject to the Mississippi Gaming Control Act and the regulations of the Mississippi Gaming Commission. We obtained a waiver of this requirement on September 20, 2012.

Substantially all material loans, leases, sales of securities and similar financing transactions by a registered corporation or a Mississippi gaming licensee must be reported to and approved by the Mississippi Gaming Commission. Changes in control through merger, consolidation, acquisition of assets, management or consulting agreements or any form of takeover cannot occur without prior investigation and approval by the Mississippi Gaming Commission. We may not make certain public offerings of our securities without the prior approval of the Mississippi Gaming Commission. Such approval, if given, does not constitute a recommendation or approval of the investment merits of the securities subject to the offering. We have received a waiver of the prior approval requirement with respect to public offerings of securities subject to certain conditions.

The Mississippi legislature has declared that some repurchases of voting securities, corporate acquisitions opposed by management, and corporate defense tactics affecting Mississippi gaming licensees, and registered companies that are affiliated with those operations, may be harmful to stable and productive corporate gaming. Because we are a registered company, approvals may be required from the Mississippi Gaming Commission before we can make exceptional repurchases of voting securities above their current market price and before a corporate acquisition opposed by management can be consummated. The Mississippi Gaming Control Act also requires prior approval of a plan of recapitalization proposed by a registered company's Board in response to a tender offer made directly to its stockholders for the purpose of acquiring control.

A Mississippi licensee may not guarantee a security issued by an affiliated company pursuant to a public offering, or pledge its assets to secure payment or performance of the obligations evidenced by a security issued by an affiliated company, without the prior approval of the Mississippi Gaming Commission. We have obtained waivers from the Mississippi Gaming Commission, effective September 20, 2024, through September 19, 2027, for such guarantees, pledges and restrictions in connection with public offerings of our securities, subject to certain restrictions. A pledge of the stock of a Mississippi licensee and the foreclosure of such a pledge are ineffective without the prior approval of the Mississippi Gaming Commission.

All legal gaming conducted in the state is subject to taxation. Gaming fees and tax calculations are generally based upon a percentage of the gross revenue and the number of gaming devices and table games operated by the casino. The license fee payable to the State of Mississippi is based upon gross revenue (generally defined as gaming receipts less payout to customers as winnings) and equals 4% of gross revenue of $50,000 or less per calendar month, 6% of gross revenue in excess of $50,000 but less than $134,000 per calendar month, and 8% of gross revenue in excess of $134,000 per calendar month. Each licensee must pay an annual license fee of $5,000. Each licensee must pay an annual fee based on the number of games, both electronic gaming devices and table games, it operates at its establishment. Licensees operating thirty-five (35) games pay a fee of $81,200 for the first 35 games, plus $100 for each game over 35. Licensees located within certain municipalities or counties may be required to pay fees to those municipalities or counties based on the licensees' gross revenues. These fees are paid in the same manner as the state gross revenue fees. The fees payable to the county in which Silver Slipper Hotel and Casino operates is an amount not to exceed four percent (4%) of all gross revenue and an annual license fee of $100 per gaming device.

The Gaming Commission imposes a flat annual fee on each casino operator licensee, payable quarterly, covering all investigative fees for that year associated with an operator licensee, any entity registered as a holding company or publicly traded corporation of that licensee, and any person required to be found suitable in connection with that licensee or any holding company or publicly traded corporation of that licensee. The annual fee is based on the average number of gaming devices operated by the licensee during a twelve-month period, as reported to the Mississippi Gaming Commission. The investigative fee is $325,000 for licensees with 1,500 or more gaming devices, $250,000 for licensees with 1,000 to 1,499 gaming devices, and $150,000 for licensees with less than 1,000 gaming devices. The fee is payable in four equal quarterly installments.

Neither we nor Silver Slipper Casino Venture LLC may engage in gaming activities outside of Mississippi without approval of, or a waiver of such approval by, the Mississippi Gaming Commission. We have approval from the Mississippi Gaming Commission for foreign gaming operations in that such approval for foreign gaming operations is automatically granted under the Mississippi regulations in connection with foreign operations conducted within the 50 states or any territory of the United States, or on board any cruise ship embarking from a port located therein.

A violation of the Mississippi gaming laws could result in a fine; revocation or suspension of, or a limitation or condition on, the gaming license, and criminal action. Disciplinary action in any jurisdiction may lead to disciplinary action in Mississippi, including, but not limited to, the revocation or suspension of the Silver Slipper Casino Venture, LLC gaming license.

Colorado Regulatory Matters

The Colorado Limited Gaming Control Commission (the "Colorado Commission") initially approved all our necessary licenses on February 18, 2016, to acquire the operating assets and assume certain liabilities of Bronco Billy's Casino and Hotel in Cripple Creek, Colorado, which closed on May 13, 2016. The license approvals initially issued and subsequently renewed include (i) an Operator's license for Full House Resorts, Inc.; (ii) three (3) Retail Licenses for our wholly owned subsidiary, FHR-Colorado, LLC, which operate as Bronco Billy's Casino, Billy's Casino, and our newly opened Chamonix Casino & Hotel, which such license previously operated under the name of Sir William's Casino (iii) three (3) Master Sports Betting licenses, each associated with the three (3) Retail Licenses held by FHR-Colorado LLC; (iv) a Manufacturer/Distributor's License for FHR-Colorado, LLC; (v) findings of suitability for key personnel and our Board of Directors. We continue to renew these licenses every two years, with our licenses most recently renewed through February 18, 2026, which includes the "rebranding" of one of our retail licenses to open our new Chamonix Casino & Hotel as our third Retail License.

Under the Colorado Limited Gaming Act of 1991 (the "Colorado Act"), the ownership and operation of limited-stakes gaming facilities in Colorado are subject to the Colorado Gaming Regulations (the "Colorado Regulations") and final authority of the Colorado Commission. The Colorado Act also created the Colorado Division of Gaming (the "Division of Gaming") within the Colorado Department of Revenue to license, supervise and enforce the conduct of limited stakes gaming.

No person may offer limited gaming to the public unless such person holds a valid retail gaming license, which must be renewed every two years. Our licenses were most recently renewed on February 17, 2024, expiring on February 18, 2026. The Colorado Act requires that licensees file applications for renewal with the Colorado Commission not less than 120 days prior to their expiration.

Limited-stakes gaming became lawful in the cities of Central City, Black Hawk and Cripple Creek when the state constitution was amended, effective October 1, 1991 ("Colorado Amendment"). Currently, "limited-stakes gaming" means a maximum single bet of $100 on slot machines, blackjack, poker, craps and roulette, and it is permitted 24 hours a day.

Limited-stakes gaming is confined to the commercial districts of these cities as defined by Central City ordinance on October 7, 1981, by Black Hawk ordinance on May 4, 1978, and by Cripple Creek ordinance on December 3, 1973. Additionally, the Colorado Amendment restricts limited-stakes gaming to structures which conform to the architectural styles and designs which were common to the areas prior to World War I and that conform to the requirements of applicable city ordinances regardless of the age of the structures. Under the Colorado Amendment, no more than 35% of the square footage of any building and no more than 50% of any one floor of any building may be used for limited-stakes gaming. Persons under the age of 21 cannot participate in limited-stakes gaming. Under Colorado state law, smoking is not permitted in any indoor area, including limited gaming facilities and any other facilities in which any gaming or gambling activity is conducted.

The Colorado Commission has delegated authority to the Division of Gaming to conduct background investigations and review of financial documents, issue certain types of licenses, and approve certain limited changes in ownership. With limited exceptions applicable to licensees which are publicly traded entities, no person may sell, lease, purchase, convey or acquire any interest in a retail gaming, manufacturer or distributor, associated equipment supplier, or operator license or business without the prior approval of the Colorado Commission or the Division of Gaming.

As a general rule, the Colorado Act prohibits any person from having an "ownership interest" in more than three retail gaming licenses in Colorado. The Colorado Commission has ruled that a person does not have an ownership interest in a retail gaming licensee for purposes of the multiple license prohibition if any of the following apply:

- A person has less than a 5% ownership interest in an institutional investor that has an ownership interest in a publicly traded licensee or publicly traded company affiliated with a licensee;
- A person has a 5% or more ownership interest in an institutional investor, but the institutional investor has less than a 5% ownership interest in a publicly traded licensee or publicly traded company affiliated with a licensee;
- An institutional investor has less than a 5% ownership interest in a publicly traded licensee or publicly traded company affiliated with a licensee;

- An institutional investor possesses voting securities in a fiduciary capacity for another person and does not exercise voting control over 5% or more of the outstanding voting securities of a publicly traded licensee or of a publicly traded company affiliated with a licensee;
- A registered broker or dealer retains possession of voting securities of a publicly traded licensee or of a publicly traded company affiliated with a licensee for its customers and not for its own account, and exercises voting rights for less than 5% of the outstanding voting securities of a publicly traded licensee or publicly traded company affiliated with a licensee;
- A registered broker or dealer acts as a market maker for the stock of a publicly traded licensee or of a publicly traded company affiliated with a licensee and exercises voting rights in less than 5% of the outstanding voting securities of the publicly traded licensee or publicly traded company affiliated with a licensee;
- An underwriter is holding securities of a publicly traded licensee or publicly traded company affiliated with a licensee as part of an underwriting for no more than 90 days after the beginning of such underwriting if it exercises voting rights of less than 5% of the outstanding voting securities of a publicly traded licensee or publicly traded company affiliated with a licensee;
- A book entry transfer facility holds voting securities for third parties, if it exercises voting rights with respect to less than 5% of the outstanding voting securities of a publicly traded licensee or publicly traded company affiliated with a licensee; or
- A person's sole ownership interest is less than 5% of the outstanding voting securities of the publicly traded licensee or publicly traded company affiliated with a licensee.

The Colorado Commission has enacted Rule 4.5, which imposes requirements on publicly traded corporations holding gaming licenses in Colorado and on gaming licenses owned directly or indirectly by a publicly traded corporation, whether through a subsidiary or intermediary company. Such requirements automatically apply to any ownership interest held by a publicly traded corporation, holding company or intermediary company thereof, where the ownership interest directly or indirectly is, or will be upon approval of the Colorado Commission, 5% or more of the entire licensee. However, the Colorado Commission also has the discretion to require that any publicly traded corporation, subsidiary, intermediary, or holding company that it determines has the actual ability to exercise influence over a licensee, regardless of ownership percentage, comply with the disclosure regulations and requirements contained in Rule 4.5.

Additionally, the Colorado Regulations require that every officer, director and stockholder of private corporations or equivalent office or ownership holders for non-corporate applicants, and every officer, director or stockholder holding either a 5% or greater interest or controlling interest of a publicly traded corporation or owners of an applicant or licensee, shall be a person of good moral character and submit to, and pay for, a full background investigation conducted by the Division of Gaming and the Colorado Commission. The Colorado Commission may require any person having an interest in a license to undergo a full background investigation and pay the cost of investigation in the same manner as an applicant.

Licensees are required to provide information and file periodic reports with the Division of Gaming, including identifying (i) those who have a 5% or greater ownership, financial or equity interest in the licensee, (ii) those who have the ability to control or exercise significant influence over the licensee, (iii) those who loan money or other things of value to a licensee, and (iv) those who have the right to share in revenue derived from limited gaming, or to whom any interest or share in profits of limited gaming has been pledged as security for a debt or performance of an act. Additional reporting requirements include (i) notifying the Division of Gaming if any licensee, including its parent company or subsidiary, applies for, or holds a license to conduct foreign gaming operations, and (ii) reporting any criminal convictions or charges against all persons licensed by the Colorado Commission and any associated person of a licensee.

The Colorado Commission and Division of Gaming also may require information regarding every person who is a party to a "gaming contract," defined as an agreement where a person does business with, or that is conducted on the premises of, a licensed entity, or a lease with a licensee (or applicant). In that event, such person must promptly provide the Colorado Commission or the Division of Gaming requested information, which may include a financial history, description of financial holdings, real and personal property ownership, interests in other companies, criminal history, personal history and associations, character, reputation in the community and all other information which might be relevant to a determination of whether a person would be suitable to be licensed by the Colorado Commission. Failure to provide all information requested constitutes sufficient grounds for the Colorado Commission or the Division of Gaming to require a licensee or applicant to terminate its gaming contract or lease with any person who failed to provide the information requested. The Colorado Commission or the Division of Gaming may also require that the gaming contract be amended prior to approval of an application or commencement of the contract.

The Colorado Commission and the Division of Gaming have interpreted the Colorado Regulations to permit the Colorado Commission to investigate and find suitable persons or entities providing financing to or acquiring securities from us. As previously noted, any person or entity that is required to provide information, submit an application, or be found suitable, must pay all application and investigation fees and costs. Although the Colorado Regulations do not require prior approval for the execution of credit facilities or issuance of debt securities, the Colorado Commission reserves the right to approve, require changes to or require the termination of any financing, including, but not limited to, situations where a person or entity is required to be found suitable and is not found suitable. In any event, note holders, lenders and others providing financing will not be able to exercise certain rights and remedies without the prior approval of the Colorado Commission. Information regarding any changes in holders of securities may be required to be periodically reported to the Colorado Commission or the Division of Gaming. Any changes in lending relationships or terms or conditions must be immediately reported to the Division of Gaming.

The Colorado Constitution provides for a tax on the total amount wagered, less all payouts to players, which is known as the adjusted gross proceeds ("AGP"). For poker, the tax is calculated based on the sums wagered which are retained by the licensee as compensation, consistent with the minimum and maximum amounts established by the Colorado Commission. The Constitution sets a maximum tax rate of 40%, and voter approval of a constitutional amendment would be required to increase this maximum rate.

The Colorado Commission votes annually on the structure of the gaming taxes. Currently, the tax structure is tiered with a graduated rate of between .25% and 20% of AGP. Specifically, the rate tiers are:

- 0.25% up to and including $2 million of AGP;
- 2.0% on amounts from $2 million to $5 million of AGP;
- 9.0% on amounts from $5 million to $8 million of AGP;
- 11.0% on amounts from $8 million to $10 million of AGP;
- 16.0% on amounts from $10 million to $13 million of AGP; and
- 20.0% on amounts over $13 million of AGP.

These rates became effective July 1, 2012. Pursuant to the Colorado state constitution, any Commission decision to increase the tax levels on the adjusted gross proceeds of limited gaming requires statewide voter approval.

Effective July 1, 2021, the Colorado Commission also implemented a three-year pilot program to allow casinos to receive a tax rebate equal to the amount of tax paid on free play coupons for the preceding year. Casinos are eligible for this rebate if the gaming tax revenue paid to the State grew by at least 3.5%, compounded annually, over the preceding year. If eligible, the casino will receive a credit against the following month's tax payment. If total free play and total gaming revenue have grown by at least 10.87% after the first three years, the rebate program would become permanent, effective July 1, 2025. In August 2024, FHR-Colorado received a rebate in the amount of $22,366.77 for the preceding fiscal year (July 2023 through June 2024).

On November 5, 2019, Colorado voters approved sports betting offered at casinos in Cripple Creek, Black Hawk, and Central City or through Internet sports betting operators that are associated with brick-and-mortar casinos in those towns. The state imposes a tax of 10% on "net sports betting proceeds" which is distinct and taxed separately from limited gaming "adjusted gross proceeds." The state also imposes multiple fees to pay for: (1) the privilege of being licensed to operate as a sports betting licensee; (2) the costs of applicant investigation; and (3) the Division of Gaming's ongoing regulation of sports betting. The City of Cripple Creek may also impose device fees on sports betting gaming equipment used at casinos licensed if they are used to conduct a sports betting operation. Those device fees may be more, less, or the same as the current fee imposed by the City of Cripple Creek on limited gaming devices. Sports betting became legal in Colorado on May 1, 2020. In January 2020, FHR-Colorado LLC applied for three (3) master sports betting licenses to be associated with each of its three (3) retail licenses. We received our three (3) Master Licenses on March 19, 2020, and their renewal and expiration dates coincide with our three (3) Retail Licenses (February 2026). FHR-Colorado LLC is presently using one of its master sports betting licenses to contract with a third-party vendor who offers mobile sports wagering. No person under 21 years of age may place any sports wager in Colorado. All mobile sports wagering patrons must undergo "Know Your Customer" age and identification verification processes prior to using a mobile device to place sports wagers. This process may be undertaken via mobile device remotely and does not require in-person registration at a casino. Additionally, all mobile sports wagering patrons must undergo geolocation measures prior to placing wagers using a mobile device to ensure their physical presence in the State of Colorado. Each third-party sports wagering vendor must be licensed by the Colorado Commission, and any vendor director, officer, key employee, and affiliated business may be required to either be licensed or found suitable by the Commission. Depending on whether they share in sports betting revenues or what types of goods or services they provided, businesses involved with sports wagering operations may also be required to be licensed. All licensed entities and licensed persons are responsible for compliance with all relevant sports wagering laws and regulations relevant to their retail and/or mobile sports wagering operations.

On November 3, 2020, Colorado voters approved Amendment 77, which allowed the Cities of Central City, Black Hawk, and Cripple Creek to (1) approve a maximum single bet limit of any amount and (2) expand allowable game types in addition to slot machines, blackjack, poker, roulette, and craps.

In the City of Cripple Creek, pursuant to Article 5 of the municipal code, the City Clerk is authorized to calculate, collect, and enforce a gaming device fee, which may be amended from time to time by the City Council. For purposes of Article 5, a gaming device means "any slot machine, poker table and/or blackjack table. The term gaming device shall include each table manned by a single dealer for the games of blackjack and/or poker and shall include each slot machine."

Currently, this gaming device fee is paid quarterly, in advance, on the first day of the month for each quarter. The fee depends on a number of factors, including when the device is placed into service, and the total number of gaming devices the licensee has in operation. For example, each gaming licensee shall pay $374.91 per gaming device for its first three (3) months of operation, and each new gaming device added shall have a gaming device fee of $374.91, regardless of the day the device is placed into service. The sale of alcoholic beverages in gaming establishments is subject to strict licensing, control, and regulation by State and local authorities. There are various classes of retail liquor licenses which may be issued under the Colorado Liquor Code, and no person may be financially interested in more than one such class of liquor license. A retail gaming tavern licensee may sell malt, vinous or spirituous liquors only by the individual drink for consumption on the premises. An application for an alcoholic beverage license in Colorado requires notice, posting and a public hearing before the local liquor licensing authority prior to approval. The Colorado Department of Revenue's Liquor Enforcement Division must also approve the application on behalf of the state. Each of FHR-Colorado LLC's retail locations has obtained the requisite liquor license to offer alcoholic beverages for consumption on its casino, hotel, and restaurant premises.

All persons who directly or indirectly hold a 10% or greater interest in, or 10% or more of the issued and outstanding capital stock of, a licensee must file applications and may possibly be investigated by state and local liquor authorities. The Colorado liquor authorities also may investigate persons who, directly or indirectly, loan money to or have any financial interest in liquor licensees. In addition, there are restrictions on stockholders, directors and officers of liquor licensees preventing such persons from being a stockholder, director, officer or otherwise interested in certain persons who lend money to liquor licensees and from making loans to other liquor licensees. Persons directly or indirectly interested in any of our Colorado gaming properties may be limited with regard to certain other types of liquor licenses in which they may have an interest, and specifically cannot have an interest in a retail liquor store license. No person can hold more than three retail gaming tavern liquor licenses. In addition, the remedies of certain lenders may be limited by applicable liquor laws and regulations. Alcoholic beverage licenses are revocable and nontransferable. State and local licensing authorities have full power to limit, condition, suspend for as long as six months or revoke any such licenses for violations of the liquor and regulatory requirements, which could have a material adverse effect upon our operations.

Illinois Regulatory Matters

Following a competitive bidding process, on December 8, 2021, the Illinois Gaming Board (the "IGB") unanimously selected us for the development of a casino in Waukegan, Illinois. On January 27, 2022, the IGB unanimously granted us approval to amend our application pending before the IGB to change the applicant thereunder from Full House Resorts, Inc. to our wholly owned subsidiary, FHR-Illinois, LLC, a Delaware limited liability company ("FHR-IL").

On February 16, 2023, the IGB's Administrator granted FHR-IL a temporary operating permit authorizing us to conduct gaming operations at our temporary casino facility, the temporary American Place facility, beginning February 17, 2023. Operations commenced on February 17, 2023, at the temporary American Place facility's grand opening. On June 15, 2023, the IGB issued FHR-IL its owners license (replacing the temporary operating permit).

Casino gaming in Illinois is permitted by the Illinois Gambling Act, 2030 ILCS 10/1 et seq. (the "Illinois Act") and the rules of the IGB promulgated thereunder. The State of Illinois legalized riverboat gambling in 1990. Initially, the Illinois Act authorized the IGB to issue up to ten (10) owners licenses authorizing the holders thereof to conduct gambling operations on riverboats located on any water within the State of Illinois or any water other than Lake Michigan which constitutes a boundary of the State of Illinois. The original ten owners licenses are in operation in Alton, Aurora, East Peoria, East St. Louis, Elgin, Joliet (2 licenses), Metropolis, Rock Island, and Des Plaines, Illinois.

On June 28, 2019, the Illinois Act was amended by Public Act 101-0091 ("PA 101-0091") which implemented historic gaming expansion throughout Illinois. Among other things, PA 101-0091 amended the Illinois Act to: (a) authorize an additional six (6) casinos in the following locations: City of Chicago, City of Danville, City of Waukegan, City of Rockford, Williamson County, and any one of the following townships in Cook County – Bloom, Bremen, Calumet, Rich, Thornton or Worth; (b) permit casinos to be land-based (including allowing Illinois' existing riverboat casinos to relocate on land); and (c) permit each racetrack facility licensed pursuant to the Illinois Horse Racing Act of 1975 ("Organization Licensees") to apply for an Organization Gaming License, which authorizes table games and slot machines at the Organization Licensee's racetrack facilities.

The Illinois Act strictly regulates the facilities, persons, associations and practices related to gaming operations. It grants the IGB specific powers and duties, and all other powers necessary and proper to fully and effectively execute the Illinois Act for the purpose of administering, regulating and enforcing the system of casino gaming. The IGB has authority over every person, association, corporation, partnership and trust involved in casino gaming operations in the State of Illinois.

The Illinois Act requires the owner of a casino gaming operation to hold an owners license issued by the IGB and restricts the number of gaming positions that may be operated under each owners license. Initially, each of Illinois' original ten (10) owners licensees were limited to operating 1,200 gaming positions. PA 101-0091, however, authorized each of these existing ten (10) owners licensees permission to expand gaming operations from 1,200 to 2,000 gaming positions, subject to the payment of a per gaming position fee of $17,500 (or $30,000 if located within Cook County) (the "Position Fee"). Only one of the original ten (10) owners licensees expanded its gaming positions to 2,000 gaming positions. With respect to the six (6) casinos authorized under PA 101-0091, the owners license in the City of Chicago is authorized to operate up to 4,000 gaming positions, the owners license in Williamson County is limited to 1,200 gaming positions, and the other four new owners licenses (including the owners license held by us), are permitted a maximum of 2,000 gaming positions, subject to payment of the applicable Position Fee. The number of gaming positions are determined in accordance with the IGB's rules.

Each owners licensee of the six (6) casinos authorized by PA101-0091 (including FHR-IL) must make a reconciliation payment (the "Reconciliation Payment") to the State of Illinois. The Reconciliation Payment is calculated 3 years after the date the owners licensee begins operating in an amount equal to 75% of the adjusted gross receipts for the most lucrative 12-month period of operations, minus an amount equal to the aggregate Position Fee paid by such owners licensee. The Reconciliation Fee is paid as follows: (1) $15,000,000 is paid upon issuance of the owners license (this amount has been paid by FHR-IL); and (2) the remainder of the Reconciliation Fee, if any, is paid in installments over a period of six years (without interest) beginning in year four of the owners licensee's operations. If the calculation of the Reconciliation Fee results in a negative amount, the owners licensee is not entitled to reimbursement of any fees previously paid.

Under the Illinois Act, each owners licensee of the six (6) casinos authorized under PA101-0091, may conduct gaming at a temporary casino facility pending the construction of a permanent casino facility for up to 24 months after the temporary casino facility begins to conduct gaming. Upon request by an owners licensee and upon a showing of good cause by the owners licensee: (i) for an owners licensee authorized in Waukegan, the IGB shall extend the period during which the licensee may conduct gaming at a temporary casino facility by up to 30 months; and (ii) for the other five (5) owners licensees, the IGB shall extend the period during which the licensee may conduct gaming at a temporary casino facility by up to 12 months. In January 2024, FHR-IL requested IGB approval to conduct gaming operations at the temporary American Place facility by 30 months. On January 27, 2024, the IGB unanimously granted FHR-IL's request for extended operations at the temporary American Place facility. Given this approval, under the Illinois Act, FHR-IL may conduct gaming operations at the temporary American Place facility until August 17, 2027.

Each owners license is valid for four years. The fee for the issuance or renewal of a new owners license is $250,000. An owners licensee is eligible for renewal upon payment of the applicable fee and a determination by the IGB that the licensee continues to meet all of the requirements of the Illinois Act and IGB's rules. An ownership interest in an owners license may not be transferred or pledged as collateral without the prior approval of the IGB.

Pursuant to the Illinois Act, in determining whether to approve direct or indirect ownership or control of an owners license, the IGB must consider the impact of any economic concentration caused by such ownership or control. No direct or indirect ownership or control may be approved which will result in undue economic concentration of the ownership of a casino gambling operation in Illinois. The Illinois Act specifies a number of criteria for the IGB to consider in determining whether the approval of the issuance, transfer or holding of a license will create undue economic concentration. The IGB's application of such criteria could reduce the number of potential purchasers for American Place.

The Illinois Act does not limit the maximum bet or per patron loss. Minimum and maximum wagers on games are set by the holder of the owners license. Wagering may only be conducted with money or other negotiable currency. No person under the age of 21 is permitted to wager and wagers may only be received from a person present at the casino. With respect to electronic gaming devices, the payout percentage may not be less than 80% or more than 100% unless approved by the IGB's Administrator. Since January 1, 2008, all of Illinois' casinos, bars, restaurants and other public establishments have been smoke-free.

Illinois imposes an admission tax and a wagering tax on all Illinois casinos. From time to time, the Illinois legislature has taken actions to change these taxes. Historically, these legislative changes have resulted in tax increases. Currently, the admission tax is $3.00 per person admitted into the casino (except for the casino in Rock Island, which is subject to an admissions tax of $2.00 per person admitted). The wagering tax is imposed on the "adjusted gross receipts," as defined in the Illinois Act, of a gambling operation. The owners licensee is required, daily, to wire the wagering tax payment to the IGB. For all casinos (other than the Chicago casino, which is subject to a higher tax rate), the wagering tax for all gambling games other than table games, including, but not limited to, slot machines, video game of chance gambling, and electronic gambling games is assessed at the following rates:

- 15.0% of annual adjusted gross receipts up to and including $25.0 million;
- 22.5% of annual adjusted gross receipts in excess of $25.0 million but not exceeding $50.0 million;
- 27.5% of annual adjusted gross receipts in excess of $50.0 million but not exceeding $75.0 million;
- 32.5% of annual adjusted gross receipts in excess of $75.0 million but not exceeding $100.0 million;
- 37.5% of annual adjusted gross receipts in excess of $100.0 million but not exceeding $150.0 million;
- 45.0% of annual adjusted gross receipts in excess of $150.0 million but not exceeding $200.0 million; and
- 50.0% of annual adjusted gross receipts in excess of $200.0 million.

For all casinos (other than the Chicago casino), the wagering tax for table games is assessed at the following rates:

- 15.0% of annual adjusted gross receipts up to and including $25.0 million; and
- 20.0% of annual adjusted gross receipts in excess of $25.0 million.

A holder of any gaming license in Illinois is subject to imposition of fines, suspension or revocation of such license, or other action for any act or failure to act by the licensee or the licensee's agents or employees, that is injurious to the public health, safety, morals, good order and general welfare of the people of the State of Illinois, or that would discredit or tend to discredit the Illinois gaming industry or the State of Illinois. The IGB may revoke or suspend licenses, as the IGB may determine and, in compliance with applicable Illinois law regarding administrative procedures, may suspend an owners license, without notice or hearing, upon a determination that the safety or health of patrons or employees is jeopardized by continuing such gambling operations. The suspension may remain in effect until the IGB determines that the cause for suspension has been abated and it may revoke the owners license upon a determination that the owner has not made satisfactory progress toward abating the hazard.

If the IGB has suspended, revoked or refused to renew an owners license or if a casino gambling operation is closing and the owner is voluntarily surrendering its owners license, the IGB may petition the local circuit court in which the casino is situated for appointment of a receiver. The circuit court has sole jurisdiction over any and all issues pertaining to the appointment of a receiver. The IGB specifies the powers, duties and limitations of the receiver.

The IGB requires that each "Key Person" of an owners licensee submit a Personal Disclosure or Business Entity Disclosure Form and be investigated and approved by the IGB. The IGB determines which positions, individuals or business entities are required to be approved by the Board as Key Persons. Once approved, such Key Person status must be maintained. Key Persons include:

- any business entity and any individual with an ownership interest or voting rights of more than 5% in the licensee or applicant and the trustee of any trust holding such ownership interest or voting rights;
- the directors of the licensee or applicant and its chief executive officer, president and chief operating officer or their functional equivalents;
- a Gaming Operations Manager (as defined in the IGB's rules) or any other business entity or individual who has influence and/or control over the conduct of gaming or the Casino Gaming Operation (as defined in the IGB's rules); and
- all other individuals or Business Entities that, upon review of the applicant's or licensee's organizational structure, the Board determines hold a position or a level of ownership, control or influence that is material to the regulatory concerns and obligations of the IGB for the specified licensee or applicant.

Each owners licensee must provide a means for the economic disassociation of a Key Person in the event such economic disassociation is required by an order of the IGB. Based upon findings from an investigation into the character, reputation, experience, associations, business probity and financial integrity of a Key Person, the IGB may enter an order upon the licensee or require the economic disassociation of the Key Person.

Applicants for and holders of an owners license are required to obtain the IGB's approval for changes in the following: (i) Key Persons; (ii) type of entity; (iii) equity and debt capitalization of the entity; (iv) investors and/or debt holders; (v) sources of funds; (vi) economic development plans or proposals; (vii) casino capacity or significant design changes; (viii) gaming positions; (ix) anticipated economic impact; or (x) agreements, oral or written, relating to the acquisition or disposition of property (real or personal) of a value greater than $1 million. Illinois regulations provide that a holder of an owners license may make distributions to its stockholders only to the extent that such distributions do not impair the financial viability of the owner. Additionally, the IGB requires each holder of an owners license to obtain the IGB's approval prior to issuing a guaranty of any indebtedness.

The IGB requires that each "institutional investor," as that term is defined by IGB, that, individually or jointly with others, cumulatively acquires, directly or indirectly, 5% or more of any class of voting securities of a publicly-traded licensee or a licensee's publicly-traded parent corporation (like Full House) shall, within no less than ten (10) days after acquiring such securities, notify the IGB of such ownership and shall, upon request, provide such additional information as may be required by the IGB (which additional information may include requiring the filing of an "Institutional Investor Disclosure Form"). An institutional investor that, individually or jointly with others, cumulatively acquires, directly or indirectly, 10% or more of any class of voting securities of a publicly-traded licensee or a licensee's publicly-traded parent corporation must file an "Institutional Investor Disclosure Form," provided by the IGB, within 45 days after cumulatively acquiring such level of ownership interest, unless such requirement is waived by the IGB. Additionally, we must notify the IGB as soon as possible after we become aware that we are involved in an ownership acquisition by an institutional investor.

The IGB may waive any licensing requirement or procedure provided by rule if it determines that the waiver is in the best interests of the public and the gaming industry. Also, the IGB may, from time to time, amend or change its rules.

Beginning August 1, 2020, the IGB established benchmark contract utilization goals for owners licensees as set forth below:

- 11% for minority-owned businesses;
- 7% for women-owned businesses;
- 2% for businesses owned by persons with disabilities; and
- 3% for veteran-owned businesses.

Each owners licensee is required to submit to the IGB proposed contracting goals for the coming calendar year and final contracting goals shall be established through a consultation process with each owners licensee and subsequent IGB evaluation and approval. By March 31st of each year, each owners licensee is required to file with the IGB an annual report of its utilization of minority-owned businesses, women-owned businesses, businesses owned by persons with disabilities and veteran-owned businesses during the preceding calendar year. The IGB strongly encourages compliance with these benchmarking goals. Any failure by an owners licensee to meet these goals will be scrutinized by the IGB, and if the IGB determines that its goals and policies are not being met by an owners licensee, then the Board may recommend remedies for these violations in accordance with the IGB's rules.

In addition to the amendments to the Illinois Act (described above), PA101-0091 enacted the Illinois Sports Wagering Act (230 ILCS 45/25-1 et seq.) (the "Illinois Sports Wagering Act") legalizing retail and mobile sports wagering in Illinois. Under the Illinois Sports Wagering Act, each owners licensee and Organization Licensee and up to seven (7) sports facilities is granted the opportunity to apply for and receive a Master Sports Wagering License to conduct sports wagering (or to contract with a licensed Management Services Provider to conduct sports wagering on its behalf) at a retail sportsbook located (1) for an owners licensee, at its casino, (2) for an Organization Licensee, at its racetrack and up to off track betting facilities, and (3) for a sports facility, at or within five blocks of the sports facility, as well as to operate one mobile sports betting "skin." FHR-IL received is Master Sports Wagering License on June 15, 2023. FHRIL contracted with Circa Sports Illinois LLC to serve as its Management Services Provider to operate retail and mobile sports wagering in Illinois.

Sports wagers may be made only by individuals who are 21 years of age or older. All mobile sports wagering patrons must undergo "Know Your Customer" age and identification verification processes prior to using a mobile device to place sports wagers. This process may be undertaken via mobile device remotely and does not require in-person registration at a casino. Additionally, all mobile sports wagering patrons must undergo geolocation measures prior to placing wagers using a mobile device to ensure their physical presence in the State of Illinois. Each Master Sports Wagering Licensee and Management Services Provider is subject to corporate and individual licensing and findings of suitability by the IGB and is responsible for compliance with all relevant sports wagering laws and regulations relevant to their retail and/or mobile sports wagering operations.

On July 13, 2009, Illinois enacted the Video Gaming Act, 230 ILCS 40/1 et seq. (the "Video Gaming Act") which initially legalized the use of up to five (5) video gaming terminals in most bars, restaurants, fraternal organizations and veterans' organizations holding valid Illinois liquor licenses, as well as at qualifying truck stops. Effective October 9, 2012, video gaming in Illinois became operational. The video gaming terminals in licensed establishments allow patrons to play games such as video poker, line up and blackjack. PA101-0091 similarly expanded the Video Gaming Act by authorizing the use of up to six (6) video gaming terminals (increased from five (5)) in most bars, restaurants, fraternal organizations and veterans' organizations holding valid Illinois liquor licenses and created a new category of licensure for "large truck stop establishments" that are authorized to operate up to ten (10) video gaming terminals. As of December 12, 2024, there were approximately 48,728 video gaming terminals in operation in Illinois. Revenues at American Place (including the temporary American Place facility) may be adversely impacted by the availability of video gaming terminals in non-casino establishments proximately located to its customer base.

From time to time, various proposals have been introduced in the Illinois legislature that, if enacted, would affect the taxation, regulation, operation or other aspects of the gaming industry. The Illinois legislature regularly considers proposals that would expand gaming opportunities in Illinois. Some of this legislation, if enacted, could adversely affect the gaming industry. No assurance can be given whether such or similar legislation will be enacted.