

RI Lottery Additional Information

May 2025 Revenue Estimating Conference

April 29, 2025



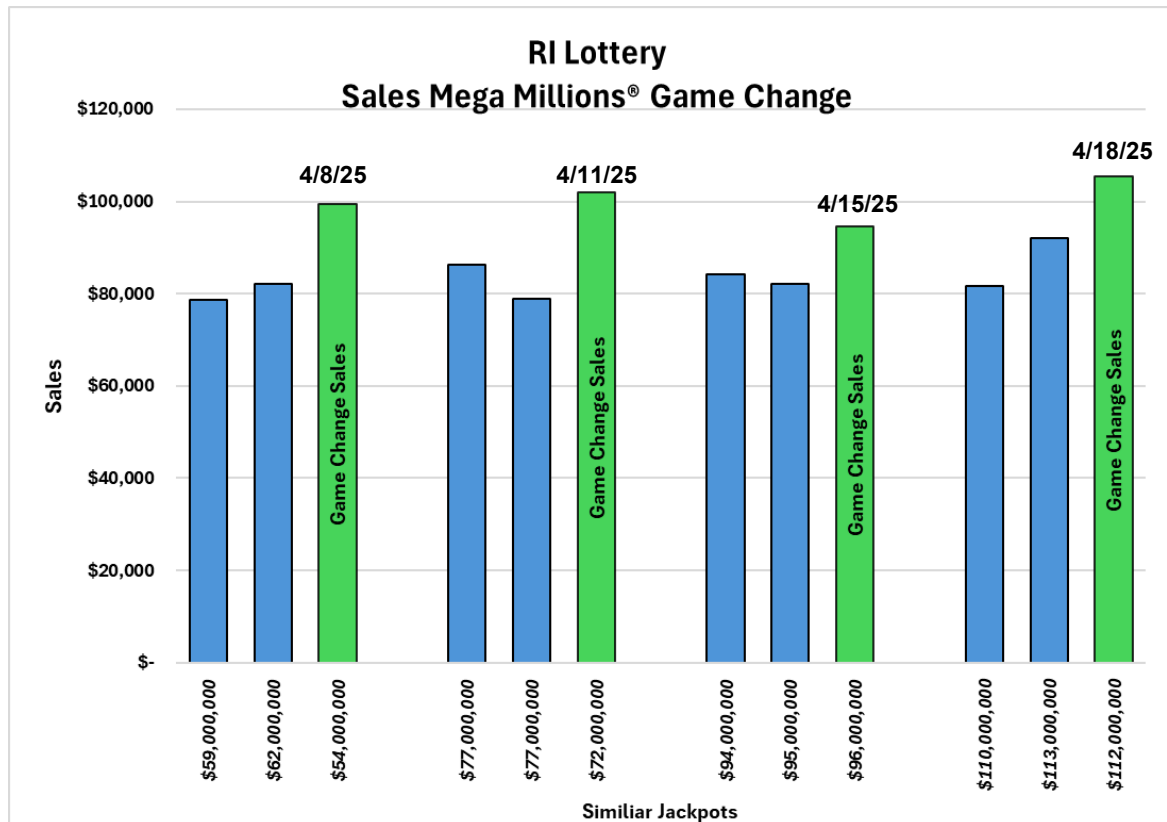
Additional Items



- At the casinos, Twin River Lincoln has completed their expansion of the poker room, adding 7 poker tables to bring the total to 30. Bally's plans to host Maverick Poker tournaments by the end of May.
- The Lincoln hotel has occupancy rate of approximately 64% on weekdays and 98% on weekends. Majority of the rooms are compd.
- The iGaming marketing budget for both FY25 & FY26 is approximately \$3.0M/year.
- The iGaming promotional points (free play) allowance is approximately \$7.2M/year.
- The Sportsbook marketing budget for both FY25 & FY26 is approximately \$350K/year.
- The video lottery consolidated promotional points allowance for FY25 is \$106,204,273, of which \$73,758,825 has been used through March 31, 2025.
- In March 2025, the iLottery platform update was completed, the next large platform upgrade (replacement) will be the VLT central system in October.

Additional Items (continued)

- Commencing on April 5, 2025 the new Mega Millions® game tickets went on sale.
- The first drawing was held on April 8, 2025.
- The cost of each ticket is now \$5.00, which now includes the \$1.00 multiplier feature - which had been an incremental \$1.00 add-on feature.



Additional Income (continued)



MA Waiver Financial Protection

- Per the MA Waiver Agreement, there is a financial protection in the event the General Fund xfer decreased after Bally's introduced a sports betting app in MA, up to \$1.5M/year.
- This reimbursement formula will run from CY24 – CY28 and will be adjusted to the CPI.
- Reimbursement = CY22 GF Xfer from SB – CY:X GF Xfer from SB.
- The RI Lottery received a reimbursement of \$1.5M in March 2025, for CY24.
- The funds are included in the Non-Operating - Miscellaneous Income section of the RI Lottery's March 2025 financial statements.

iGaming Financial Protection

- Per the iGaming Platform Agreement, there is a financial protection in the event revenue from certain Lottery products decreases after the introduction of iGaming.
- Reimbursement = FY23 Revenue (wagers – prizes) from (Instants + eInstants + Keno + iKeno) – FY:X Revenue from (Instants + eInstants + Keno + iKeno) x [100% for the first \$1M of difference and 50% for any amount over \$1M to a maximum reimbursement of \$1.5M.]
- For FY24, Bally's paid the RI Lottery approximately \$1.3M.
- For FY25, we anticipate Bally's will owe approximately the same amount, which will be included in the RI Lottery's June 2025 financial statements. These funds will be in the Non-Operating - Miscellaneous Income section of the RI Lottery's financial statements.

Additional Income (continued)



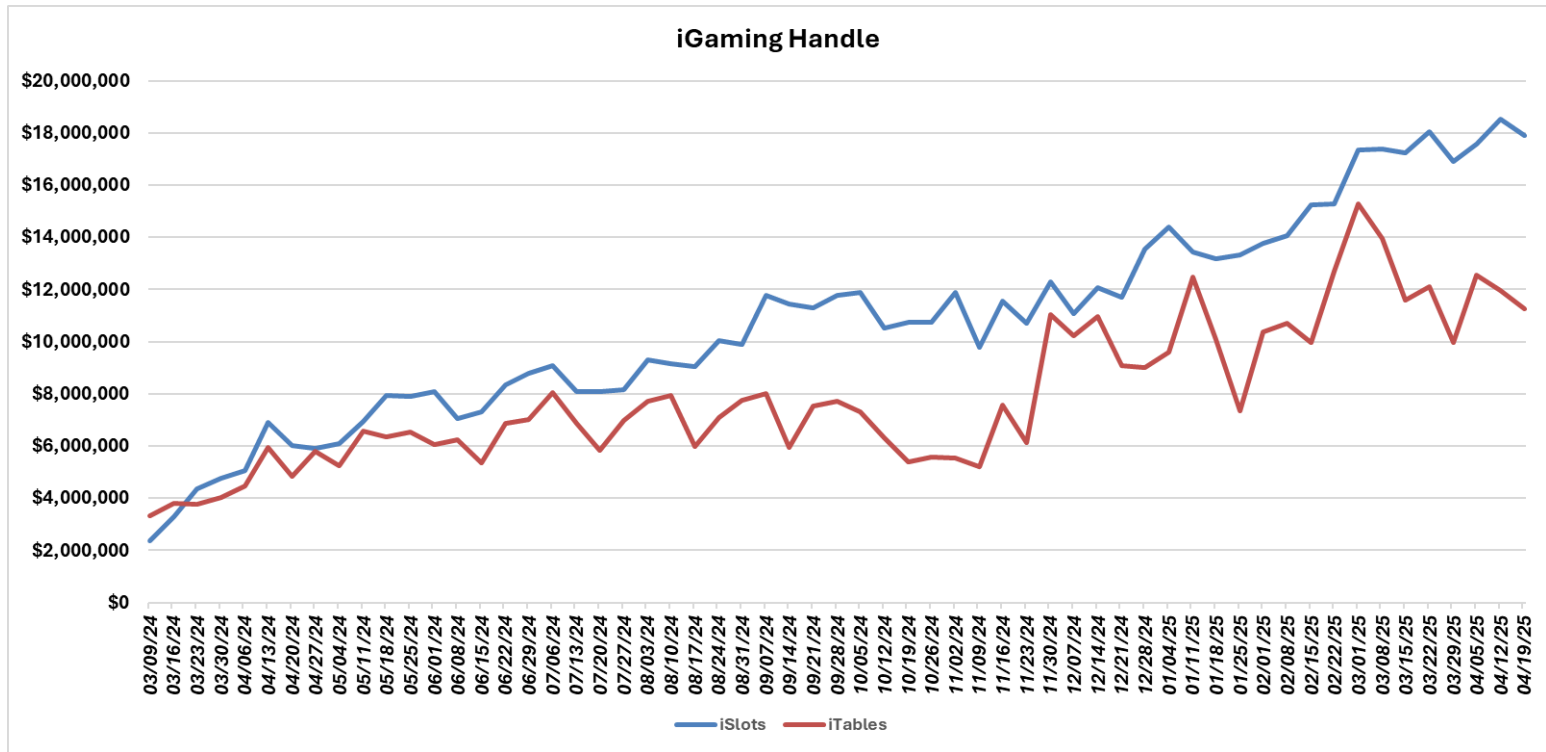
- Per the 8th Amendment to the IGT Master Contract, the RI Lottery shall have the right to assess liquidating damages against IGT if the average number of FTEs for each period of three consecutive years is less than 1,100, commencing with CY24 (for CY22, CY23, & CY24).
- This test will be completed annually after CY24.
- The amount of such liquidating damages shall be equal to the difference between the average FTEs for the three-year test period and 1,100, multiplied by \$7,500.
- The Lottery is anticipating that IGT will be subject to liquidating damages based on this requirement.
- IGT is required to certify the number of FTEs by May 1st.

Competitive Information

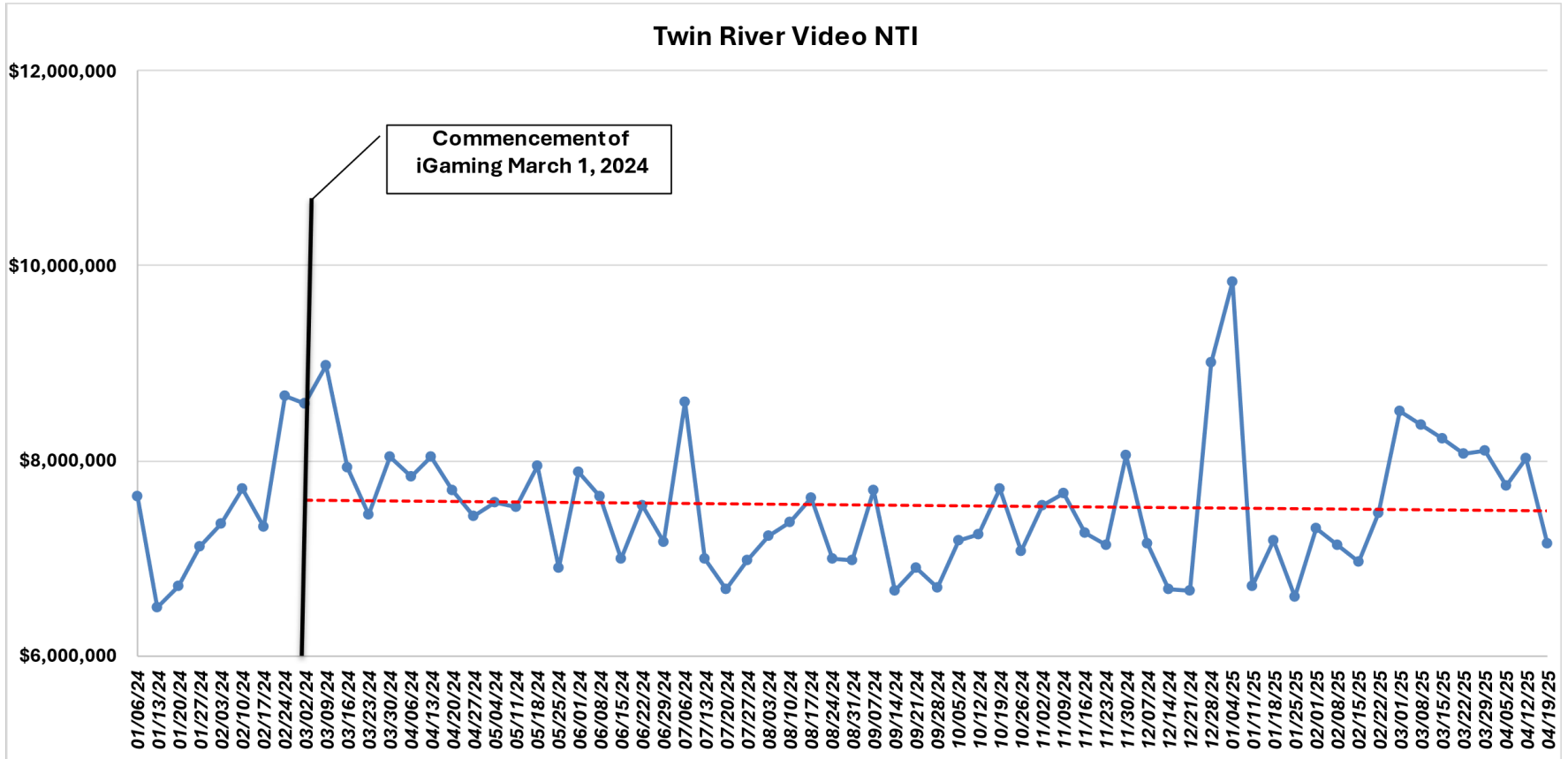


- First Light Casino
 - The Mashpee Tribe opened a 'First Light Welcome Center' in January on their tribal land in Taunton, located at the intersection of Routes 24 & 140.
 - The 'Welcome Center' offers information on the Tribe's future casino plans and tribal history/culture.
 - The 'Welcome Center' also offers 10 Class II slot machines.
 - The Tribe has reportedly secured financing for an additional 100 Class II slot machines.
- The Massachusetts Lottery's iLottery platform is now set to launch in April 2026.
 - Originally, the plan was to roll out the online lottery within 16 months of the legislation's passage in July 2023. Delays in securing the necessary funding pushed the timeline back.
- Several states have legislation to increase their tax rate on sports betting
 - Massachusetts lawmakers introduced a bill to raise the tax on sports betting from 20% to 51% (this failed last year).
 - Last year, Ohio doubled the tax on sports betting revenue from 10% to 20%, and this year the Governor has proposed doubling it to 40%.
 - Illinois implemented a maximum tax rate of 40%, from 15%.
 - North Carolina's Senate's 2025 budget proposal includes a provision to double the sports betting tax rate to 36%.
 - New Jersey's Governor's FY 2026 budget proposal would raise the state's tax rate on online sports betting from 13% to 25%.

Additional Graphs

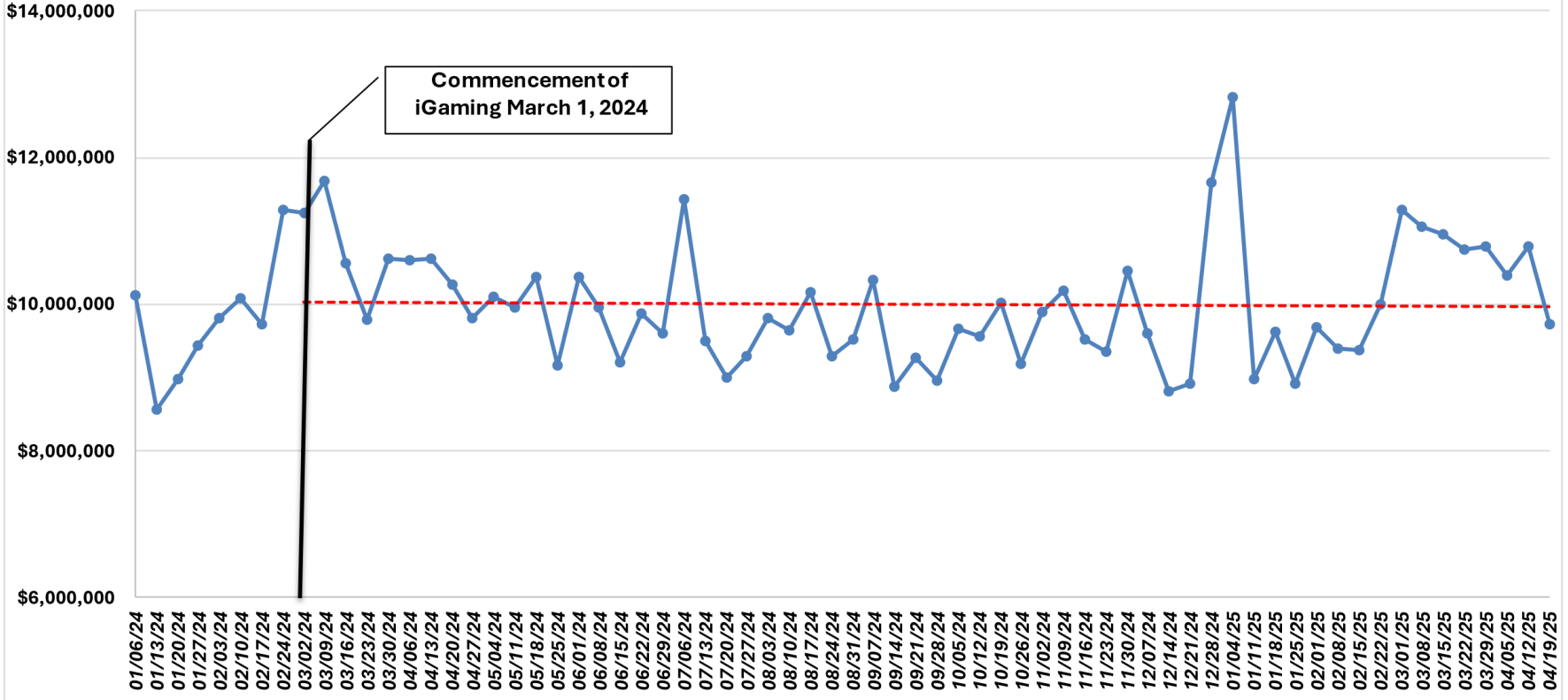


Additional Graphs

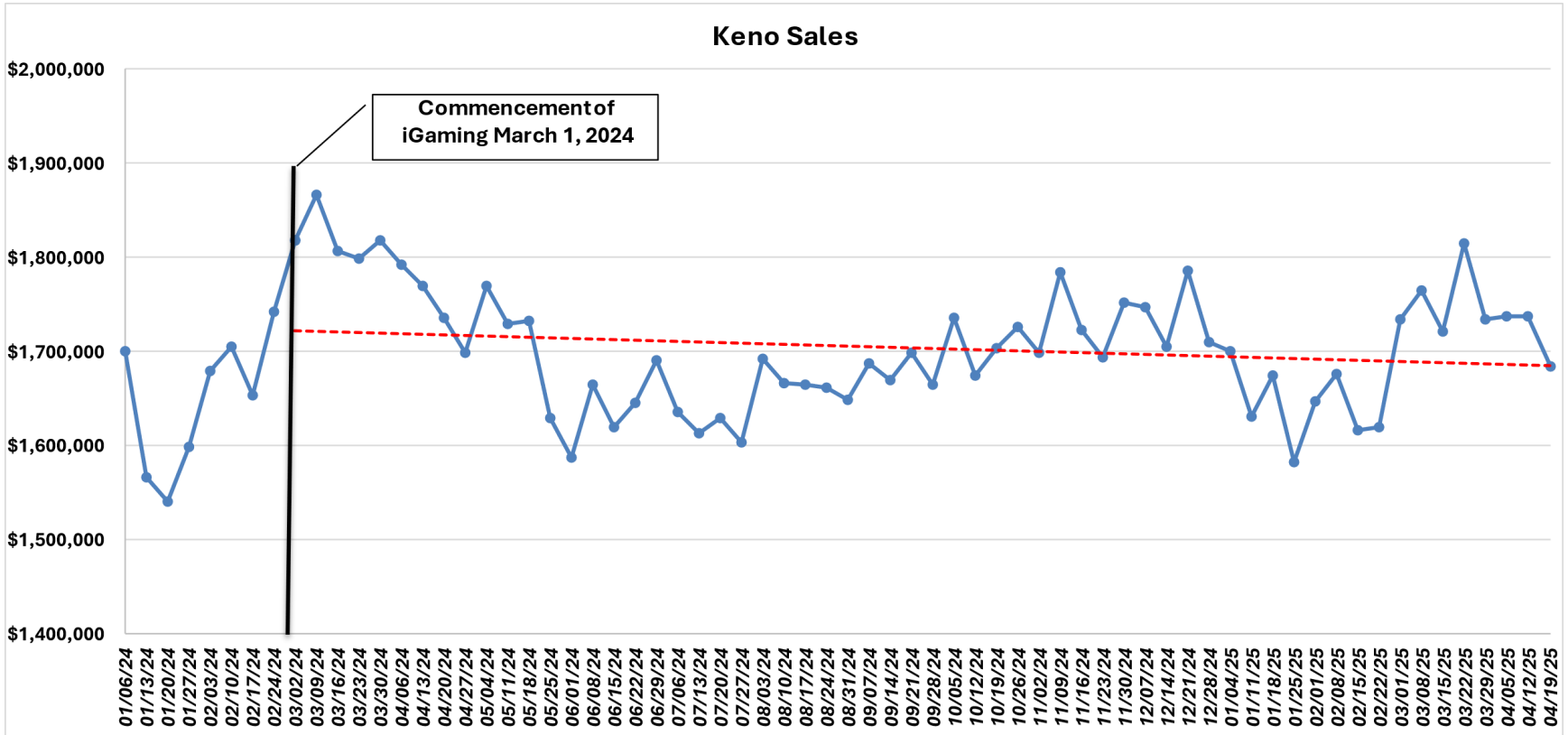


Additional Graphs

Twin River & Tiverton Combined Video NTI



Additional Graphs



Additional Graphs

