

Innovation Capital

Investment Bankers



Gaming Newsweekly
For the week ended March 11th, 2018

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For securities-related inquiries, please contact an Innovation Capital banker.

NEW FEATURE...Newsweekly Archive

You can now access Innovation Capital's Newsletter archive on the firm's website [here](#). This feature is password protected-- this month's password is: **think** (case sensitive).

Gaming Industry Public Company & High Yield Data:

[Public Company Trading Comparables](#)

[High Yield Bond Trading Levels](#)

Featured Article:

Wind Creek Hospitality to Acquire Sands Casino Resort Bethlehem for \$1.3 Billion

March 9, 2018

ALABAMA- (Wind Creek Hospitality) - PCI Gaming Authority d/b/a Wind Creek Hospitality, an instrumentality of the Poarch Band of Creek Indians (the "Tribe"), announced today that it has entered into a definitive agreement under which Wind Creek Hospitality will acquire the Sands Casino Resort in Bethlehem, Pennsylvania, for a total enterprise value of \$1.3 billion. The closing of the transaction is subject to regulatory review and other customary closing conditions. The Sands Casino Resort Bethlehem, which will be integrated into the Wind Creek Hospitality portfolio, represents a best-in-class, Las Vegas-style resort, located in the heart of the Lehigh Valley of Pennsylvania, approximately 80 miles from New York City. Amenities include a 282-room AAA four diamond hotel, a 183,000 square foot casino floor featuring 3,000 slots and electronic table games, 200 table games, numerous food and beverage outlets, a 150,000 square foot retail mall, and a multi-purpose event center.

[Click here to read the full press release](#)

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See Innovation Capital Deal Announcement at the bottom of this Gaming Newsweekly.

In Alabama, Sands Bethlehem buyer has reputation for being cash-flush and community-centric

March 10, 2018

ALABAMA- (Jon Harris, The Morning Call) - Atmore, an Alabama city with a population smaller than Emmaus', is a place short on streetlights but high on Southern hospitality. Legendary heavyweight boxer Evander Holyfield was born here, as was the original Marlboro Man Paul Birch and former Miami Dolphins cornerback Don McNeal. A train track still juts through its Main Street, though Amtrak shut down the service in 2005 following Hurricane Katrina. These days, Atmore's top economic engine is headquartered just 6 miles north of its main drag. That's the location of Wind Creek Casino & Hotel, a 9-year-old facility that sits on 35 acres and serves as the home base for Wind Creek Hospitality, the group paying \$1.3 billion to buy Sands Casino Resort Bethlehem.

[Click here to read the full article in The Morning Call](#)

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Negron, Corcoran: Florida gambling bill dead for session

March 9, 2018

TALLAHASSEE- (Dara Kam, News Service of Florida) - Despite the looming threat of a constitutional amendment and a potential \$300 million annual hit to state coffers, Florida lawmakers abandoned an effort to reach agreement Friday on a gambling package as time ran out in the 2018 legislative session. Republican legislative leaders had resurrected the issue in the waning days of the session as they tried to strike a deal between the gambling-leery House and the Senate, which was willing to expand slot machines to counties where voters have approved the lucrative machines.

[Click here to read the full article in the Palm Beach Post](#)

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Okada shocked by Wynn settlement, lawyers say

March 9, 2018

LAS VEGAS- (Todd Prince, Las Vegas Review-Journal) - Lawyers for Kazuo Okada on Friday said the Japanese businessman was shocked by the \$2.4 billion settlement reached a day earlier between Wynn Resorts and his Universal Entertainment Corp. "This came as a complete surprise to Mr. Okada. We had no information whatsoever they were engaged in any negotiations or discussions," attorney J. Stephen Peek told District Judge Elizabeth Gonzalez. Wynn Resorts on Thursday said it had ended the six-year battle with Universal over a 20 percent stake in the Las Vegas-based casino operator. Wynn Resorts will pay in full by March 31 the \$1.94 billion promissory note issued to Universal in 2012 for its stake and \$463 million in disputed interest on the note. The two sides said they no longer have any claims against each other.

[Click here to read the article in Las Vegas Review-Journal](#)

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Study: Esports Are Nearly As Popular As Football

March 9, 2018

BOSTON- (Gary Brode, WBZ-TV) - Dozens of fans showed up to Boston Sports Grille Friday night to cheer on their team. Not the Sox, Celtics or Pats. They were there for the Boston Uprising. An esports squad who plays the video game Overwatch. The question, "Did you catch the game?" Doesn't usually apply to video games. But it's starting too. Caroline Lares is a Boston Uprising Fan. "It's not a

real sport," she says she hears. "We get that a lot." Whatever it is, it's catching on. It's called an esports. Gamers compete and tens of thousands watch. Some at a bar but mostly on video streaming sites like YouTube.

[Click here to read the full article in CBS Boston](#)

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No bids received for Pennsylvania's 5th mini-casino license

March 9, 2018

PENNSYLVANIA- (Trib Total Media) - First delayed two days by bad weather, an attempt to auction off a license for Pennsylvania's fifth mini-casino will have to wait even longer. The state Gaming Control Board received no bids for the auction, rescheduled for Friday in Harrisburg. Kevin O'Toole, executive director of the Pennsylvania Gaming Control Board, announced at the start of the scheduled auction said that no formal proposals were submitted for the rights to open a satellite casino with up to 750 slot machines and 40 table games. Four licenses for mini casinos have been auctioned off, including one earmarked for Westmoreland County.

[Click here to read the full article in Trib Total Media](#)

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FanDuel may go public via reverse merger

March 9, 2018

UNITED STATES- (PitchBook) - Daily fantasy sports startup FanDuel is reportedly close to completing a reverse merger with Platinum Eagle Acquisition, a special purpose acquisition company run by veteran Hollywood executives and media dealmakers Jeff Sagansky and Harry Sloan. FanDuel has been valued at over \$1 billion on the private markets as recently as 2016, when it raised \$55 million in funding. But the company may struggle to retain its unicorn status in such a deal, as its financial situation has become increasingly dire after its proposed merger with rival DraftKings fizzled out last year over antitrust concerns. While it's unclear how a reverse merger would value FanDuel, the equity financing involved in the deal will likely be less than \$1 billion: Platinum Eagle raised \$325 million in its IPO in January.

[Click here to read the full article in PitchBook](#)

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Brazil's long-delayed gambling bill loses strength in Senate

March 8, 2018

BRAZIL- (Jasmine Solana, Calvin Ayre) - A four-year-old bill seeking to legalize a wide range of gambling activities in Brazil has suffered yet another setback at the hands of state politicians. On Wednesday, Brazil's Comisión de Constitución, Justicia y Ciudadanía (CCJ) voted 13-2 rejecting PLS 186/2014, which provided for the legalization of not just online gambling and sports betting, but also land-based casinos, bingo halls, video gaming, and the locally popular jogo do bicho.

[Click here to read the full article in Calvin Ayre](#)

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Global Study Finds Entertainment Plays Key Role In People's Identities and Overall Happiness

March 6, 2018

NEW YORK- (MGM Resorts International, Cision PR Newswire) - While entertainment is typically viewed as filling a "leisure-time" role in people's lives, a new global research study reveals that many consider it significantly more fundamental to their identities and welfare than is commonly believed. The study, commissioned by MGM Resorts International and called the "Truth About Entertainment," found that more than 90% of respondents in the U.S. and China, and more than 80% in Japan, see entertainment as a fundamental contributor to their health and happiness. Additionally, an equal percentage in each of the three countries reported they could not imagine their lives without their favorite books, music, films, bands and sports.

[Click here to read the full press release](#)

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The Stars Group Enters into Agreements to Increase Ownership in CrownBet and Acquire William Hill Australia

March 6, 2018

TORONTO- (The Stars Group Inc, Cision PR Newswire) - The Stars Group Inc. announced today that it has entered into definitive agreements to increase its equity interest in CrownBet Holdings Pty Limited from 62% to 80% and for CrownBet to acquire William Hill Australia Holdings Pty Ltd., creating a leader in the regulated Australian online sports betting market. The aggregate purchase price for both transactions will be approximately \$315 million, of which \$234 million will be payable in cash for William Hill Australia and the remainder will be payable in approximately 3.1 million newly-issued common shares of The Stars Group for the increased equity interest in CrownBet. Unless otherwise noted, references to "\$" are to U.S. dollars and "A\$" are to Australian dollars

[Click here to read the full press release](#)

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GVC Holdings PLC sealed a deal to acquire a 51% stake in Mars LLC (Crystalbet)

March 6, 2018

WORLDWIDE- (Niji Ng, European Gaming) - GVC Holdings PLC, a gambling and online gambling operator in both business-to-consumer and business-to-business markets has sealed a deal to acquire a 51% stake in Mars LLC (Crystalbet) for a consideration of €41.3m (\$50.8m). Crystalbet a "leading" online gaming operator which had its inception in 2011, holds licences to offer online gaming products such as sports betting, casino games, poker and peer-to-peer games in the regulated market of Georgia. GVC said, it acknowledges Crystalbet as the largest online sportsbook, and second largest online gaming brand overall, in Georgia and believes it can leverage its own resources to enhance the firm's position.

[Click here to read the full article in European Gaming](#)

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Far East Consortium Announces Expansion into European Hospitality Sector and Acquisition of Trans World Corporation

March 4, 2018

HONG KONG- (CNBC) - Far East Consortium International Limited ("FEC" or the "Group"; SEHK: 35) is pleased to announce that, after the trading hours of Hong Kong Stock Exchange on 2 March, 2018, FEC Overseas Investment (UK) Limited ("FEC OIL"), an indirect wholly-owned subsidiary of FEC, FEC Investment (US) Limited (the "Purchaser"), a direct wholly-owned subsidiary of FEC OIL, and Trans World Corporation (the "Target") entered into an agreement and plan of merger (the "Merger Agreement"). Upon closing of the proposed merger, the Purchaser will merge with and into the Target, and the Target will continue as the surviving company and become a wholly owned subsidiary of FEC OIL. FEC will pay up to US\$42 million (HK\$327.6 million) and will assume the Target's net debt at closing (not exceeding \$11.025 million, or HK\$ 86.0 million) for the acquisition (For more details on the transaction, please refer to the Group's announcement dated 5 March, 2018).

[Click here to read the full article in Yahoo! Finance](#)

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Innovation Capital Investment Bankers

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Pending

Sands
CASINO-RESORT
BETHLEHEM

\$1,300,000,000

is being acquired by



Exclusive Buy-Side Advisor

Innovation Capital advised PCI Gaming Authority on its pending acquisition of Sands Casino Resort Bethlehem for an enterprise value of \$1.3 billion

- Largest acquisition of a single casino property outside of Las Vegas and Atlantic City
- Best-in-class, Las Vegas-style integrated resort, located in the heart of Lehigh Valley, Pennsylvania, approximately 80 miles from New York City
- Amenities include a 183,000 SF casino floor featuring 3,000 slots / ETG machines, 175 table games and 27 poker tables, 282-room hotel, 8 F&B venues, 150,000 SF retail mall featuring 29 stores and a 50,000 SF multi-purpose event center with meeting space
- Property will be rebranded and integrated into the Wind Creek Hospitality portfolio
- Innovation also assisted PCI in securing committed debt financing for the transaction
- Closing is subject to regulatory approvals and customary closing conditions

Long standing relationship with PCI; third acquisition advised on over past 2 years

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Since inception, Innovation Capital has advised on over 100 transactions aggregating \$6+ billion
For more information, please visit: www.innovation-capital.com

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