



GAMING & LEISURE
PROPERTIES, INC

Acquisition Presentation

May 16, 2024

Forward Looking Statements

This press release includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including our expectations regarding the anticipated accretion and future rent coverage. Forward-looking statements can be identified by the use of forward-looking terminology such as “expects,” “believes,” “estimates,” “intends,” “may,” “will,” “should” or “anticipates” or the negative or other variation of these or similar words, or by discussions of future events, strategies or risks and uncertainties. Such forward-looking statements are inherently subject to risks, uncertainties and assumptions about GLPI and its subsidiaries, including risks related to the following: Gaming and Leisure Properties, Inc.’s (“GLPI”) ability to expand its relationship with Strategic Gaming; the potential negative impact of recent high levels of inflation on our tenants' operations; GLPI's ability to maintain its status as a REIT; our ability to access capital through debt and equity markets in amounts and at rates and costs acceptable to GLPI; the impact of our substantial indebtedness on our future operations and ability to grow through acquisition; changes in the U.S. tax law and other state, federal or local laws, whether or not specific to REITs or to the gaming or lodging industries; and other factors described in GLPI’s Annual Report on Form 10-K for the year ended December 31, 2023, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, each as filed with the Securities and Exchange Commission. All subsequent written and oral forward-looking statements attributable to GLPI or persons acting on GLPI’s behalf are expressly qualified in their entirety by the cautionary statements included in this press release. GLPI undertakes no obligation to publicly update or revise any forward-looking statements contained or incorporated by reference herein, whether as a result of new information, future events or otherwise, except as required by law. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this press release may not occur as presented or at all.



Transaction Overview

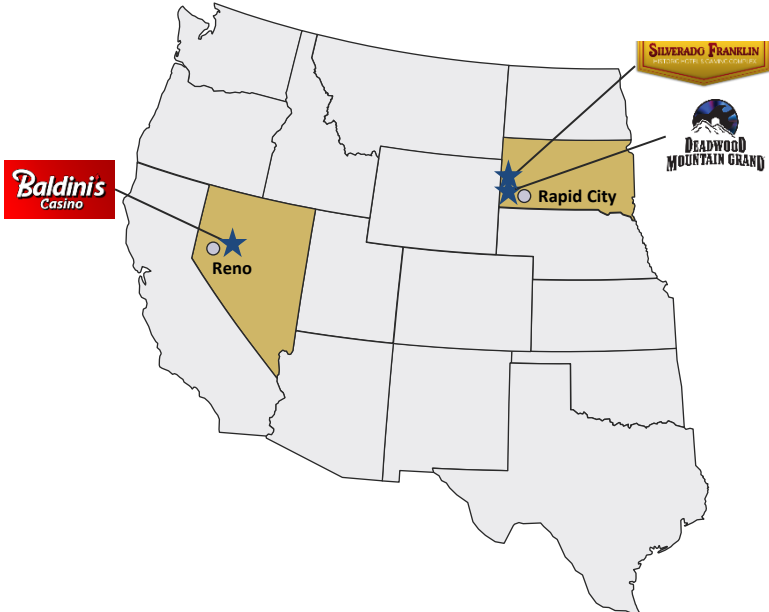
Key Transaction Details

- On May 16, 2024, GLPI acquired the real estate assets of the Silverado-Franklin Hotel & Gaming Complex (“Silverado”), Deadwood Mountain Grand (“DMG”), and Baldini’s Casino (“Baldini’s”) and simultaneously entered into two separate, but cross-defaulted, lease agreements with an affiliate of Strategic Gaming Management, LLC (“Strategic”)
- Located in Deadwood, SD, Silverado is one of the earliest properties to open in the state after legalization, offering 245 slots, 16 tables, and 68 hotel rooms
- Located in Deadwood, SD, DMG offers 141 slots, 8 table games, a 98-room, Holiday Inn hotel, and a 13,500 square foot event center
- Located in Sparks, NV, Baldini’s offers slots, video poker machines, keno games, and a sportsbook to players across the NV Locals gaming market
- Formed in 2009, Strategic is operated by CEO J. Grant Lincoln

Summary of Key Terms

Tenant:	Strategic Gaming Management, LLC
Funded Amount:	\$110.0 million ¹
Initial Cash Rent:	\$9.2 million (inclusive of incremental rent associated with \$5.0 million of capital improvements to be funded by GLPI at closing)
Term:	Initial term of 25 years, with two 10-year renewal terms
Rent Escalation:	Lease Year 2: 0% provided hotel renovations are underway at Silverado Lease Years 3-10: 2.0% Lease Years 11-25: Greater of (i) 2.0% and (ii) CPI (capped at 2.5%)
Pipeline:	Right of First Refusal (“ROFR”) granted to GLPI on future Strategic acquisitions until leased EBITDAR with GLPI reaches \$40.0 million annualized

Geographic Positioning



\$110M
Funded Amount¹

8.4%
Cap Rate

> 2.0x
Rent Coverage Ratio²

25-Year
Initial Lease Term

1. Funded amount inclusive of the acquisition price of \$105.0 million and \$5.0 million of capital improvements to be funded at closing.
2. Tenant’s rent coverage estimates pro forma for the first full year after the transaction.

Acquisition Strengths



1 Expands Tenant Portfolio with a Growth-Oriented Gaming Operator

- Strategic becomes GLPI's 9th tenant and introduces an experienced gaming and hospitality operator actively looking to expand through M&A for any size transaction

2 Immediately Accretive

- Transaction is expected to be immediately accretive to GLPI's AFFO per share

3 Provides Geographic Diversification

- Further diversifies GLPI's regional gaming portfolio to 65 properties while entering its 20th U.S. state (South Dakota)

4 Attractive Gaming Markets with Favorable Growth Tailwinds

- Optimal location nearby national landmarks provides consistent tourism to Silverado's and DMG's customer bases, with future growth supplemented by the city-owned entertainment center as well as activation of retail sports betting
- Reno and Sparks continue to see strong growth, with GGR increasing at a CAGR of +3% and +5% since 2014, respectively

5 Significant Barriers to Entry

- Ability to acquire leading market share assets in Deadwood, a limited gaming and liquor license market that mitigates the risk of new casino development and competition



Property Overview



Property Summary

- Opened in 1990, Silverado is one of the largest gaming properties in South Dakota, offering 245 slots, 16 tables, 2 restaurants, 4 bars, and a 68-room hotel
- Silverado has undergone over \$32 million of capital projects since its inception to maintain and enhance its offerings, including buffet renovations, new restaurant openings, and casino remodels
 - Property is expected to begin construction on the hotel renovation in 2024, with \$5 million funded by GLPI at closing
- Located next to the city-owned entertainment venue “Outlaw Square,” driving increased year-round visitation to the property
- Optimal position to I-90 enables immediate access for the nearby locals market as well as tourists traveling from the Rapid City Regional Airport (~40 miles from Silverado)

Key Property Metrics

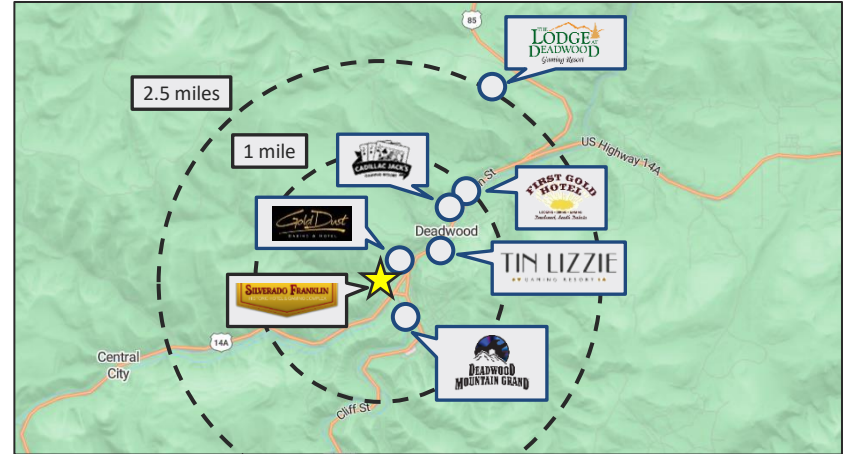
245 / 16
Slots / Table Games

68
Hotel Rooms

6
Food & Beverage Offerings

130
Parking Spaces

Competitive Landscape



Property Overview



Property Summary

- Opened in 2011 and located in Deadwood, South Dakota, DMG is an 11+ acre gaming property that offers 141 slots and 8 table games
 - Additional amenities include 2 food & beverage locations, a 3-level 208-space parking garage, a 67-seat sportsbook, and a 13,500 square foot Grand Event Center
- DMG has ~\$10 million of capex invested into the property over the past five years, including a \$5 million renovation to its Holiday Inn hotel
 - Renovation now features 93 standard suites and 5 king suites with other amenities such as an indoor swimming pool, banquet facilities, and a fitness center
- Recent performance uplift has driven by the Deadwood Mountain Grand Event Center, one of the largest entertainment venues in Deadwood that can accommodate up to 2,900 guests (seating up to 1,000 people) across 13,500 square feet of open space

Key Property Metrics

141 / 8

Slots / Table Games

98

Hotel Rooms

2

Food & Beverage Offerings

13,500

Event Center Sq. Footage

Competitive Landscape



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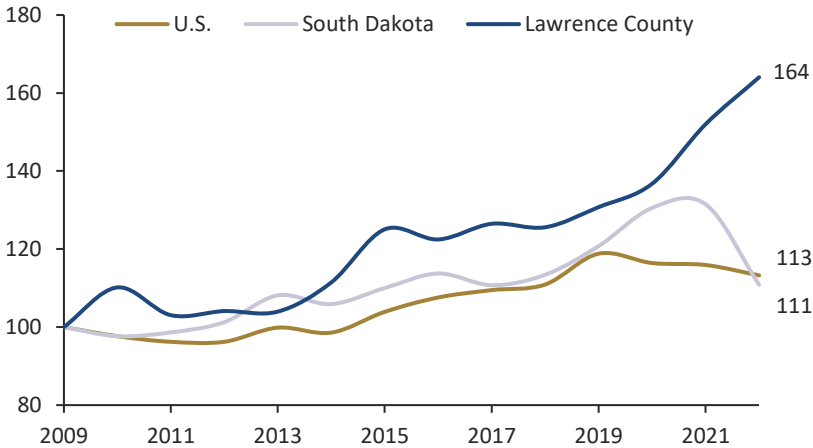
Source: Strategic Gaming

South Dakota Market Overview

Overview

- Silverado and DMG are located in the Black Hills region of Lawrence County, SD, attracting both regional and national tourists due to its renowned attractions including Mount Rushmore and the Badlands National Park
- Deadwood is the only city across South Dakota that authorizes commercial casinos
- Gaming revenue has remained steady over time, increasing at a +4% CAGR from 2014 to 2023
- Majority of Silverado and DMG carded players travel from Deadwood and Rapid City, which has shown favorable macroeconomic drivers, including increased household income (\$67,606 and \$66,573 in 2022, respectively)

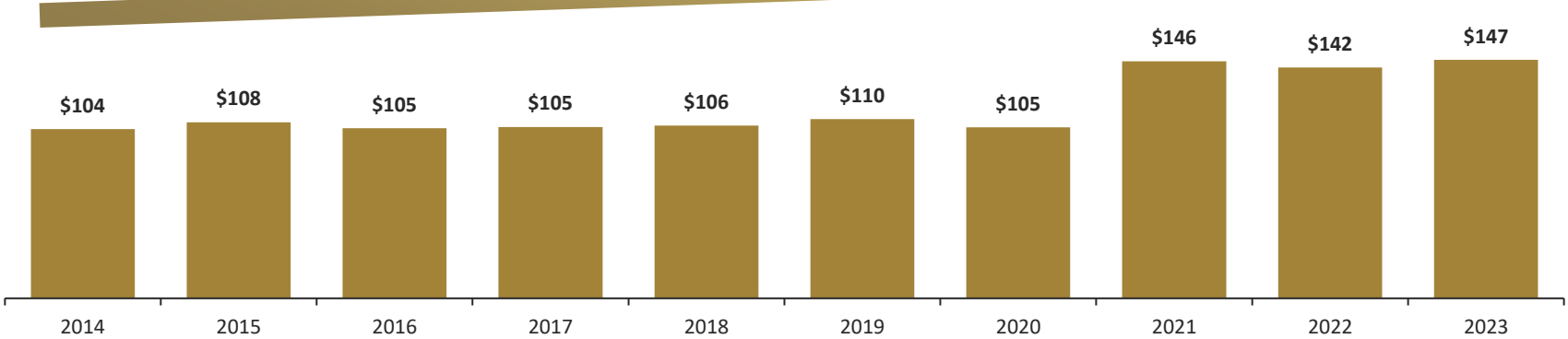
Historical Median Household Income Comparison¹



Deadwood Gaming Revenue Growth

(\$ in millions)

2014 - 2023 CAGR: +4%





Property Summary

- Opened in 1988, Baldini's is a ~9-acre Northern Nevada gaming property that offers 492 slots across a 43,000 square foot gaming floor
 - Additional amenities include 2 restaurants, 3 bars, 600+ parking spaces, a 2,000 square foot "The Book at Baldini's" sportsbook, and 37,000 square feet of additional office and support space
- Baldini's mainly competes against casinos in the Sparks market (e.g., Rail City, Nugget Casino, Legend's Bay), alongside properties operating across Reno (e.g., Atlantis, Gold Dust, Grand Sierra, Peppermill)
- Customer base primarily consists of drive-to players from Reno and other nearby Washoe County markets, with broader growth drivers (job growth, higher household income, etc.) providing recent GGR tailwinds
- Baldini's continues to generate strong financial performance, with EBITDA increasing by more than 3x since Strategic acquired the property in January 2009

Key Property Metrics

492

Slots

5

Food & Beverage Offerings

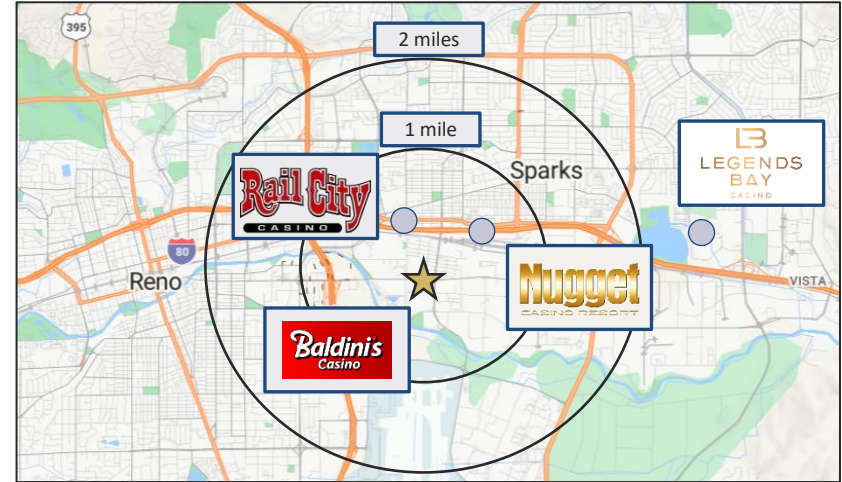
~9

Property Acreage

~2,000

Sportsbook Square Footage

Competitive Landscape

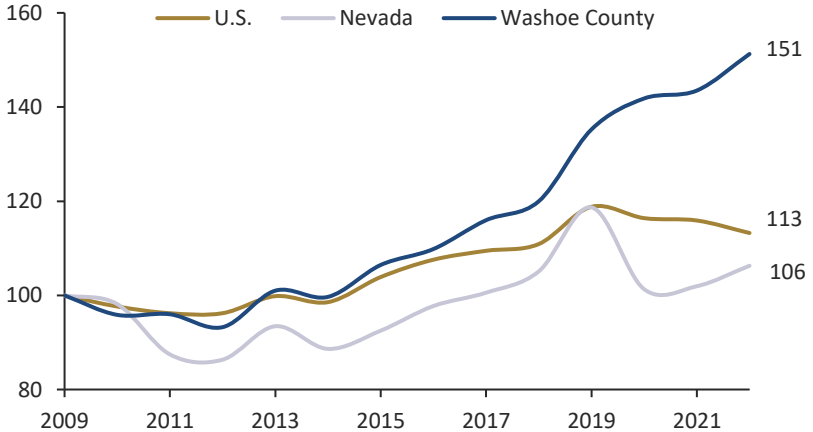


Nevada Market Overview

Overview

- The Sparks-Reno market has seen continued expansion over recent years due to ongoing population growth, improving median household income, and new higher-paying job opportunities
 - Job creation driven by several large corporations opening locations in the market, including a new Tesla Gigafactory in 2014 (~6,500 new jobs)
- Both Reno and Sparks have displayed steady and consistent gaming revenue growth, with gaming revenue increasing at +3% and +5% CAGRs, respectively, from 2014 to 2023
- Located in Sparks, NV, Baldini's competes against a group of regional casinos operating across the Sparks and Reno gaming market

Historical Median Household Income Comparison¹



Reno and Sparks Gaming Revenue Growth

(\$ in millions)

2014 - 2023 CAGR:
Reno: +3% | Sparks: +5%

