UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): **April 25, 2025**

PENN Entertainment, Inc.

(Exact Name of Registrant as Specified in Charter)

Pennsylvania	**0-24206**	**23-2234473**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

825 Berkshire Blvd., Suite 200
Wyomissing, PA 19610
(Address of Principal Executive Offices, and Zip Code)

610-373-2400
Registrant's Telephone Number, Including Area Code

(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value per share	PENN	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2 of this chapter).

Emerging growth company ☐

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. ☐

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On April 25, 2025, Ronald J. Naples resigned from the Board of Directors (the “Board”) of PENN Entertainment, Inc. (the “Company”) effective immediately. Also on April 25, 2025, Barbara Shattuck Kohn and Saul Reibstein notified the Board of their respective decision not to stand for reelection to the Board at the expiration of their respective current term at the Company’s 2025 annual meeting of shareholders (the “2025 Annual Meeting”). Ms. Kohn will continue to serve as the Lead Independent Director, a Class II director, Chair of the Board’s Compensation Committee and a member of the Board’s Audit Committee until the 2025 Annual Meeting. Mr. Reibstein will continue to serve as a Class II director and a member of the Board’s Audit Committee and Compensation Committee until the 2025 Annual Meeting. Neither Mr. Naples’ decision to resign from the Board nor Ms. Kohn’s and Mr. Reibstein’s respective decision to not stand for reelection was the result of any dispute or disagreement with the Company.

In connection with Mr. Naples’ resignation from the Board and Ms. Kohn’s and Mr. Reibstein’s respective decision not to stand for reelection, on April 25, 2025, the Board (i) decreased the size of the Board from nine to eight members, (ii) decreased the number of Class II directors from three to two, (iii) appointed Mr. Naples to serve as a director emeritus, effective immediately until January 3, 2026 and (iv) appointed each of Ms. Kohn and Mr. Reibstein to serve as a director emeritus, effective from the expiration of their respective term as a director at the 2025 Annual Meeting until January 3, 2026.

On April 25, 2025, the Company issued a press release, a copy of which is attached as Exhibit 99.1 and incorporated by reference in this Item 5.02, announcing Mr. Naples’ retirement from the Board, Ms. Kohn’s and Mr. Reibstein’s respective decision not to stand for reelection to the Board and the Board’s intent to nominate Johnny Hartnett and Carlos Ruisanchez for election to the Board at the 2025 Annual Meeting.

Item 7.01. Regulation FD Disclosure.

On April 28, 2025, the Board issued a letter to shareholders in connection with the Company’s filing of its definitive proxy statement for the 2025 Annual Meeting, a copy of which is attached as Exhibit 99.2 and incorporated by reference in this Item 7.01.

In addition, the Company is providing supplemental information regarding its and its advisors’ engagement with HG Vora Capital Management, LLC and its advisors, which supplemental information is attached as Exhibit 99.3 and incorporated by reference into this Item 7.01.

The information in this Item 7.01 of this Current Report on Form 8-K, including Exhibits 99.2 and 99.3 hereto, is being furnished to the Securities and Exchange Commission and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. This information shall not be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference to such filing.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

Exhibit No.	Description
99.1	Press Release, dated April 25, 2025, issued by PENN Entertainment, Inc.
99.2	Shareholder Letter, dated April 28, 2025, issued by the Board of Directors of PENN Entertainment, Inc. (furnished under Item 7.01)
99.3	Supplemental Information Regarding Engagement with HG Vora Capital Management, LLC (furnished under Item 7.01)
104	Cover Page Interactive Data File (formatted as Inline XBRL)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: April 28, 2025	PENN ENTERTAINMENT, INC.
	By: /s/ Christopher Rogers
	Christopher Rogers
	Executive Vice President, Chief Strategy and Legal Officer and Secretary

Exhibit 99.1

PENN Entertainment Announces Board Refreshment

WYOMISSING, Pa. – April 25, 2025 – PENN Entertainment, Inc. (“PENN” or the “Company”) (Nasdaq: PENN) today announced that it intends to nominate Johnny Hartnett and Carlos Ruisanchez for election to its Board of Directors following discussions with HG Vora Capital Management, LLC (“HG Vora”). Ron Naples has informed the Board that he will retire from the Board, effective immediately. Barbara Shattuck Kohn and Saul Reibstein have notified the Company that they will not stand for reelection at the 2025 Annual Meeting of Shareholders. The Board now comprises eight directors, seven of whom are independent.

Following review by the Board’s Nominating and Corporate Governance Committee, and based on the nominees’ relevant qualifications and experience, the Board intends to nominate Mr. Hartnett and Mr. Ruisanchez to fill the two Class II director seats available for election at the Annual Meeting. The Company remains focused on realizing the significant value creation opportunity across the business, and the Board believes a costly and distracting proxy fight is not in the best interests of PENN and its shareholders.

The Board issued the following statement:

> We look forward to benefitting from Johnny’s and Carlos’s fresh perspectives as we enter into a critical phase for the business. The Board continues to believe there is significant opportunity for value creation at PENN, particularly within our Interactive segment. Johnny and Carlos bring critical expertise and experience in the gaming industry, across both digital and retail, that are aligned with the Board’s priorities and are tailored to the opportunities in front of us. While we were unable to reach an agreement with HG Vora, we thank them for their input and look forward to continued engagement with all of our shareholders. We thank Ron, Saul and Barbara for their many years of distinguished service to the Board and our Company and we are eager to begin working with our new directors to drive profitable growth for the benefit of all PENN shareholders.

Carlos A. Ruisanchez

Carlos A. Ruisanchez is the Chief Executive Officer of Sorelle Capital and President of Sorelle Hospitality, family office firms focused on investing and developing hospitality, consumer and real estate businesses. Prior to Sorelle, he served as President and Chief Financial Officer of Pinnacle Entertainment, Inc., a leading gaming entertainment company, until its sale in 2018. He joined Pinnacle in 2008 as Executive Vice President, Strategic Planning and Development. He became Pinnacle’s Chief Financial Officer in 2011, President and Chief Financial Officer in 2013, and board member in 2016. Prior to joining Pinnacle Entertainment, Inc., Mr. Ruisanchez was Senior Managing Director at Bear Stearns & Co., Inc., an investment banking firm, where he held various positions from 1997 to 2008. He is an independent board member of Cedar Fair Entertainment Company.

Johnny Hartnett

Johnny Hartnett joined the board of Superbet Group in January 2024, after a successful mandate as Chief Executive Officer of the company between 2019 - 2023. Under Mr. Hartnett’s leadership, Superbet registered remarkable results in terms of market growth, transformation of its proprietary product & technology platforms and the creation of Happening, the Group’s dedicated tech company. Prior to joining Superbet, Mr. Hartnett spent 20 years working in the Flutter Group, where he held multiple leadership positions as COO of Sportsbet (Australia), MD of Paddy Power Betfair Online and Flutter International divisions including leading the Group’s M&A endeavors.

About PENN Entertainment, Inc.

PENN Entertainment, Inc., together with its subsidiaries ("PENN," or the "Company"), is North America's leading provider of integrated entertainment, sports content, and casino gaming experiences. PENN operates in 28 jurisdictions throughout North America, with a broadly diversified portfolio of casinos, racetracks, and online sports betting and iCasino offerings under well-recognized brands including Hollywood Casino®, L'Auberge®, ESPN BET™, and theScore BET Sportsbook and Casino®. PENN's ability to leverage its partnership with ESPN, the "worldwide leader in sports," and its ownership of theScore™, the top digital sports media brand in Canada, is central to the Company's highly differentiated strategy to expand its footprint and efficiently grow its customer ecosystem. PENN's focus on organic cross-sell opportunities is reinforced by its market-leading retail casinos, sports media assets, and technology, including a proprietary state-of-the-art, fully integrated digital sports and iCasino betting platform, and an in-house iCasino content studio (PENN Game Studios). The Company's portfolio is further bolstered by its industry-leading PENN Play™ customer loyalty program, offering its approximately 32 million members a unique set of rewards and experiences.

Forward Looking Statements

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the use of forward-looking terminology such as "expects," "believes," "estimates," "projects," "intends," "plans," "goal," "seeks," "may," "will," "should," or "anticipates" or the negative or other variations of these or similar words, or by discussions of future events, strategies or risks and uncertainties. Specifically, forward-looking statements include, but are not limited to, statements regarding: the Company's expectations of future results of operations and financial condition, including, but not limited to, projections of revenue, Adjusted EBITDA, Adjusted EBITDAR and other financial measures; the assumptions provided regarding the guidance, including the scale and timing of the Company's product and technology investments; the Company's expectations regarding results and customer growth and the impact of competition in retail/mobile/online sportsbooks, iCasino, social gaming, and retail operations; the Company's development and launch of its Interactive segment's products in new jurisdictions and enhancements to existing Interactive segment products, including the content for the ESPN BET and theScore BET and the further development of ESPN BET and theScore BET on our proprietary player account management system and risk and trading platforms; the benefits of the Sportsbook Agreement between the Company and ESPN; the Company's expectations regarding its Sportsbook Agreement with ESPN and the future success of ESPN BET; the Company's expectations with respect to the integration and synergies related to the Company's integration of theScore and the continued growth and monetization of the Company's media business; the Company's expectations that its portfolio of assets provides a benefit of geographically-diversified cash flows from operations; management's plans and strategies for future operations, including statements relating to the Company's plan to expand gaming operations through the implementation and execution of a disciplined capital expenditure program at our existing properties, the pursuit of strategic acquisitions and investments, and the development of new gaming properties, including the development projects and the anticipated benefits; improvements, expansions, or relocations of our existing properties; entrance into new jurisdictions; expansion of gaming in existing jurisdictions; strategic investments and acquisitions; cross-sell opportunities between our retail gaming, online sports betting, and iCasino businesses; our ability to obtain financing for our development projects on attractive terms; the timing, cost and expected impact of planned capital expenditures on the Company's results of operations; and the actions of regulatory, legislative, executive, or judicial decisions at the federal, state, provincial, or local level with regard to our business and the impact of any such actions.

Such statements are all subject to risks, uncertainties and changes in circumstances that could significantly affect the Company's future financial results and business. Accordingly, the Company cautions that the forward-looking statements contained herein are qualified by important factors that could cause actual results to differ materially from those reflected by such statements. Such factors include: the effects of economic and market conditions in the markets in which the Company operates or otherwise, including the impact of global supply chain disruptions, price inflation, rising interest rates, slowing economic growth, and geopolitical and regulatory uncertainty; competition with other entertainment, sports content, and gaming experiences; the timing, cost and expected impact of product and technology investments; risks relating to operations, permits, licenses, financings, approvals and other contingencies in connection with growth in new or existing jurisdictions; our ability to successfully acquire and integrate new properties and operations and achieve expected synergies from acquisitions; the availability of future borrowings under our Amended Credit Facilities or other sources of capital to enable us to service our indebtedness, make anticipated capital expenditures or pay off or refinance our indebtedness prior to maturity; the impact of indemnification obligations under the Barstool SPA; our ability to achieve the anticipated financial returns from the Sportsbook Agreement with ESPN, including due to fees, costs, taxes, or circumstances beyond the Company's or ESPN's control; the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the Company and ESPN to terminate the Sportsbook Agreement between the companies; the ability of the Company and ESPN to agree to extend the initial 10-year term of the Sportsbook Agreement on mutually satisfactory terms, if at all, and the costs and obligations of such terms if agreed; the outcome of any legal proceedings that may be instituted against the Company, ESPN or their respective directors, officers or employees; the ability of the Company or ESPN to retain and hire key personnel; the impact of new or changes in current laws, regulations, rules or other industry standards; the impact of activist shareholders; our ability to maintain our gaming licenses and concessions and comply with applicable gaming law, changes in current laws, regulations, rules or other industry standards, and additional factors described in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, each as filed with the U.S. Securities and Exchange Commission. The Company does not intend to update publicly any forward-looking statements except as required by law. Considering these risks, uncertainties and assumptions, the forward-looking events discussed in this press release may not occur.

Contact:
Mike Nieves
SVP, Finance & Treasurer
PENN Entertainment, Inc.
610-373-2400

Dear Fellow Shareholder,

On behalf of the Board of Directors, we thank you for your continued investment in PENN Entertainment. As stewards of the Company's long-term success, we are committed to providing rigorous oversight and disciplined leadership. Operating in a highly regulated and increasingly complex industry, we recognize that sustainable growth demands not only strategic execution, but also the highest standards of compliance, integrity, and operational excellence. We believe that our established retail business and growing digital business, both powered by our differentiated omnichannel strategy, will deliver meaningful value over the long-term. We are proud of the progress made this past year and remain focused on positioning PENN for enduring value creation in an evolving competitive landscape.

Today we filed our Definitive Proxy Statement in connection with our upcoming Annual Meeting of Shareholders, to be held on June 17, 2025. This follows an announcement we made on Friday, April 25, regarding changes to our Board of Directors. We are writing to provide additional context regarding these changes.

Our core retail business is strong and growing. We have four exciting retail growth projects currently under construction, all being delivered on or ahead of schedule and on budget, and just recently we announced the land-side relocation of Ameristar Council Bluffs, a new development project which, in addition to our other projects, we expect will generate strong returns and serve as a greater catalyst for PENN's retail segment. Our retail business is resilient, and we believe our industry-leading, tax-adjusted margins position us to navigate any potential economic downturn.

Supported by well-known brands, differentiated IP, a leading partner in ESPN, a fully-owned technology stack and newly recruited, industry-leading talent, our digital business is continuing to evolve as we work tirelessly to deliver the tremendous value we believe is inherent in the business. We are encouraged by the recent successful launch of our standalone iCasino offerings, Hollywood iCasino in Michigan, Pennsylvania and New Jersey, and theScore Casino in Ontario. We are confident that our digital business is nearing an inflection point, and we anticipate each quarter of 2025 to deliver a lower loss sequentially throughout the year and our Interactive division to be profitable in 2026 and beyond.

Against this backdrop, your Board regularly considers director candidates and evaluates its composition to ensure it is purpose-built for our business strategy and evolving industry dynamics. Earlier this year, the Company received notice from HG Vora that it had nominated director candidates to our Board. The Board's Nominating and Corporate Governance Committee subsequently reviewed HG Vora's nominees in line with PENN's normal evaluation procedures, including conducting thorough interviews with all nominees.

Following this evaluation, the Board determined that Johnny Hartnett and Carlos Ruisanchez would bring skills and experience that would be additive to the Board, particularly as PENN enters its next stage of value creation. Mr. Hartnett has extensive experience driving growth at leading international online sports betting, entertainment and gaming businesses, and Mr. Ruisanchez has significant financial and executive experience within our industry in addition to public company board experience.

We made this determination for several reasons. Firstly, because we value the input of our shareholders, including with regard to Board composition and representation. Secondly, because we are open-minded regarding director refreshment and value the addition of insightful, fresh perspectives in the Boardroom. Following these two appointments, the Board will comprise of eight members, five of whom will have been added to the Board in the last five years. Thirdly, and importantly, the Board believes a costly and distracting proxy fight is not in the best interests of PENN and its shareholders – particularly at such an important inflection point for the business.

It is important to note that we made several attempts to reach a mutually agreeable and reasonable resolution with HG Vora. Details of our engagement, as well as the regulatory constraints governing our ability to interact with HG Vora and the parameters for any potential resolution, are outlined in the background information filed in conjunction with this letter. In fact, the Board offered to appoint Mr. Hartnett and Mr. Ruisanchez to the Board, effective immediately, as part of a settlement offer to HG Vora. We were disappointed that these offers were rejected. Nevertheless, the Board enthusiastically nominated both Mr. Hartnett and Mr. Ruisanchez, as discussed above, and we look forward to welcoming them to the Board, while continuing our dialogue with HG Vora and all PENN shareholders.

Your Board is laser focused on successfully executing PENN's strategy to deliver long-term value creation for the benefit of all shareholders. We are confident that we will benefit from the skills and experience of our new directors as we steward PENN towards the multi-year growth and value creation period we see ahead.

Thank you for your investment in PENN and your continued support.

Sincerely,

The Board of Directors of PENN Entertainment

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Exhibit 99.3

The summary below provides additional information to shareholders of PENN Entertainment, Inc. (the "Company") regarding significant communication and interactions between the Company and HG Vora Capital Management, LLC ("HG Vora"). This summary does not purport to catalogue every conversation of, or among, members of the Company's Board of Directors (the "Board"), the Company's management, the Company's advisors and representatives of HG Vora and its advisors.

The Company maintains an active shareholder engagement program and interacts with its shareholders on a periodic basis to solicit their insights and feedback on a range of topics. The Company has had discussions with HG Vora from time to time as part of its regular shareholder engagement for several years prior to 2023.

In the first half of 2023, members of the senior leadership team of the Company, including Jay Snowden, the Company's Chief Executive Officer, and Felicia Hendrix, the Company's Chief Financial Officer, and members of the Board, including David Handler, Chairman of the Board, held multiple meetings with representatives of HG Vora, including Parag Vora, Portfolio Manager and Founding Partner of HG Vora, and Justin Kerber, an investment professional from HG Vora. During such meetings, among other things, representatives of HG Vora conveyed their views that the Company should undertake meaningful share repurchases. The representatives of the Company conveyed HG Vora's views to the Board. In particular, on May 9, 2023, during a meeting with Messrs. Vora and Kerber, Mr. Snowden received a presentation from HG Vora suggesting that the Company implement a significant leveraged recapitalization as a way to increase the Company's share price by repurchasing up to 50% of the Company's outstanding shares of common stock at a premium to then-current market prices. Mr. Snowden shared this presentation with the Board.

In August 2023 following the Company's announcement that it had entered into an exclusive online sports betting agreement with ESPN to launch ESPN Bet and that it had divested Barstool Sports, Inc., members of the Company's senior management team held multiple meetings with Mr. Kerber. During such meetings, among other things, Mr. Kerber expressed enthusiasm for the ESPN Bet transaction.

On September 12, 2023, HG Vora sent a letter to the Board noting, among other things, its "deep experience investing in the casino and online gaming sectors" and its desire to work with the Board to address the following topics: investment in interactive strategy, the ESPN Bet transaction, capital allocation, Board oversight and corporate governance and shareholder alignment. HG Vora also reiterated its proposal that PENN embark on a significant stock repurchase program. In response to such letter, Mr. Handler invited representatives of HG Vora to attend a 90-minute segment of the Board's regularly scheduled upcoming meeting to communicate their views directly to the full Board. On September 19, 2023, representatives of HG Vora, including Messrs. Vora and Kerber, Mandy Lam, General Counsel of HG Vora, and Marcus Dunlop, an investment professional at HG Vora, attended a portion of a Board meeting and presented their views to the Board during which they expressed, among other things, support for the Company's partnership with ESPN. The representatives of HG Vora also reiterated their view that the Company's share price was undervalued and that the Company should buy back more stock.

On October 26, 2023, in order to facilitate continued conversations between the Company and HG Vora, the Company and HG Vora entered into a non-disclosure agreement to “wall cross” HG Vora with regard to receiving HG Vora’s input on the Company’s quarterly earnings materials to refine messaging to the Company’s investors. From October 27, 2023 to November 2, 2023, representatives of HG Vora discussed the Company’s upcoming earnings materials with the Company’s senior management.

On October 31, 2023, Messrs. Handler and Snowden had a conversation with representatives of HG Vora, including Messrs. Vora, Kerber and Dunlop, during which the representatives of HG Vora reiterated their view that the Company should aggressively pursue share repurchases through a tender offer or accelerated share repurchase plan, citing the Company’s low traditional leverage. In response, Messrs. Handler and Snowden noted that the Company's lease-adjusted leverage - which the ratings agencies, sell-side analysts, state regulators and lenders use to analyze the Company's leverage profile - was significantly higher. The HG Vora representatives then suggested that the Company should not consider the Company’s lease obligations as debt and instead focus predominantly on traditional debt leverage and afford less consideration to the Company’s rent obligations, lease adjusted leverage and any impact to the Company’s credit ratings. The representatives of HG Vora also suggested that the Company should consider pausing or cancelling its previously announced retail growth projects, about which the HG Vora representatives were not enthusiastic.

On December 18, 2023, Mr. Snowden met with Messrs. Vora and Kerber, during which meeting Mr. Vora stated that HG Vora was seeking the right to Board seats and other changes to the Board structure. On December 19, 2023, Ms. Lam sent an email to Mr. Snowden on behalf of HG Vora memorializing the requests made by Messrs. Vora and Kerber the prior evening, including the right of HG Vora to appoint two directors to the Board, the establishment of a new Board committee focused on capital allocation chaired by one of the directors appointed by HG Vora and that one of the directors appointed by HG Vora be appointed to the Board's Nominating and Corporate Governance Committee. Between December 19, 2023 and December 23, 2023, representatives of Wachtell Lipton communicated with Ms. Lam and representatives of Ropes & Gray LLP, outside counsel to HG Vora, with respect to HG Vora’s requests, including that the requests were inconsistent with the passive investor waivers which had been granted to HG Vora by state gaming authorities.

On December 28, 2023, HG Vora filed a Schedule 13D with the SEC, disclosing, among other things, that it held the economic equivalent of an 18.5% position in the Company’s common stock. The filing also disclosed that representatives of HG Vora had discussed with the Company’s management and Board a range of topics, and that HG Vora had requested that the Company afford them the right to designate directors to the Board.

Between January 4, 2024 and February 2, 2024, Christopher Soriano, Vice President and Chief Compliance Officer of the Company received multiple communications from multiple state gaming authorities directed to HG Vora or its outside regulatory counsel alleging or finding that HG Vora had taken actions with respect to the Company that were in contravention of applicable state gaming requirements, specifically the passive investor waivers which had been granted to HG Vora by state gaming authorities. In response to HG Vora’s actions, certain state gaming regulators rescinded HG Vora’s institutional investor waivers. In addition, the Company was advised by certain gaming regulators that outreach by HG Vora seeking to influence or affect the affairs or operations of the Company was not permissible until HG Vora was licensed or had otherwise complied with applicable state gaming laws and regulations, and the Company was asked by certain regulators to apprise them of communications between the Company and HG Vora.

Accordingly, on February 7, 2024, the deadline for shareholders to nominate director candidates for the 2024 Annual Meeting passed without a nomination being made.

In May, August, September and November 2024, the Company's senior management, including Mr. Snowden and Ms. Hendrix, spoke with representatives of HG Vora regarding PENN's operational and financial performance as part of the Company's customary shareholder engagement.

On January 14, 2025, HG Vora filed Amendment No. 3 to its Schedule 13D filing with the SEC. The filing disclosed that one state gaming regulatory authority had informed HG Vora that it would not be able to complete its licensure review of HG Vora by the Company's deadline for submitting nominations to the Board, and therefore HG Vora was prohibited from submitting advance notice to nominate directors to the Board. The filing further disclosed that on January 13, 2025, HG Vora reduced its voting and dispositive power with respect to the Company's common stock to less than 5%, while maintaining its economic interest. HG Vora reported that, as a result, it was no longer restricted under the applicable gaming regulations in any state where the Company operates from submitting advance notice of recommended Board nominees, and indicated that it planned to submit such advance notice to the Company.

On January 29, 2025, the Company received notice from a representative of Cadwalader, Wickersham & Taft LLP, outside counsel to HG Vora, of HG Vora's intent to nominate three director candidates to stand for election to the Board at the Company's 2025 Annual Meeting—William Clifford, Johnny Hartnett, and Carlos Ruisanchez (the "HG Vora Nominees"). HG Vora also issued a press release announcing the nomination of the HG Vora Nominees to the Board. Later that day, the Company issued a press release confirming receipt of the notice and announced that the Board's Nominating and Corporate Governance Committee would carefully review HG Vora's proposed director nominees, in line with the Company's normal evaluation procedures, and present its formal recommendation regarding the election of directors in the Company's proxy materials.

On February 14, 2025, representatives of the Company's financial advisor held a call with Mr. Kerber and HG Vora's outside advisor. The Company's financial advisor informed Messrs. Kerber and HG Vora's outside advisor that the Company intended to conduct interviews of the HG Vora Nominees, consistent with the Board's standard evaluation procedures.

Between March 3, 2025 and March 11, 2025, independent directors of the Company serving on the Nominating and Corporate Governance Committee, Mr. Snowden and Thomas Auriemma, the independent Chairman of the Company's Compliance Committee, and, in the case of Mr. Ruisanchez, Mr. Soriano conducted interviews of each of the HG Vora Nominees separately. Such interviews were conducted to evaluate the experience, skills, qualifications and other attributes of the HG Vora Nominees' candidacy for service on the Board.

On March 24, 2025, Mr. Soriano had a discussion with a gaming regulatory authority in a state in which HG Vora is required to be licensed in order to be an active investor and which had requested updates on any communications between the Company and HG Vora. During the call, Mr. Soriano indicated that the Company's advisors were planning to engage in a discussion the following day with HG Vora, which could include potential settlement negotiations. The regulatory authority advised Mr. Soriano that, under terms of the interim authorization that HG Vora had requested to permit it to nominate candidates to the election of the Board, HG Vora was precluded from being granted or requesting certain governance-related rights as a result of such negotiations. The representative then confirmed to Mr. Soriano that such conditions and restrictions would also be communicated to HG Vora.

Between March 25, 2025 and April 24, 2025, at the direction of the Board, representatives of the Company's financial advisors held multiple calls with HG Vora's outside advisor and offered multiple potential resolutions with HG Vora that would avoid a costly and distracting proxy fight. During such conversations HG Vora's outside advisor indicated that a settlement with HG Vora would need to involve either the appointment of all three director candidates nominated by HG Vora or the appointment of two director candidates nominated by HG Vora plus additional commitments by the Company to review the Company's strategy with regards to capital allocation, asset configuration, competitive landscape and consolidation opportunities with financial advisors who would be publicly identified, amongst other things. The Company's financial advisors reiterated to HG Vora's outside advisor that the Company and HG Vora were not permitted under applicable gaming laws and regulations to enter into any agreement with respect to the governance of the Company. On April 24, 2025, representatives of the Company's financial advisors held a call with HG Vora's outside advisor and communicated that the Company would be willing to immediately appoint Johnny Hartnett and Carlos Ruisanchez to serve as directors of the Company based on their respective relevant qualifications and experience as part of a settlement. On April 25, 2025, HG Vora's outside advisor communicated to representatives of the Company's financial advisors that HG Vora had rejected this latest proposal as the basis for a potential resolution. Later that day, the Company publicly announced that Ron Naples had informed the Board that he would retire from the Board, effective immediately, Barbara Shattuck Kohn and Saul Reibstein had notified the Company that they would not stand for reelection at the Company's 2025 Annual Meeting and the Company intended to nominate Johnny Hartnett and Carlos Ruisanchez for election to the Board.