

# Strategic Financial Optimization: Casino & Hospitality Operations

A roadmap to achieving 80% EBITDA margins and 2026 Revenue Targets.

Internal Strategy Document | 2026 Outlook



# The 2026 Vision: Prioritizing Yield Optimization Over Volume

To hit 2026 targets, operations must shift from chasing sheer footfall to maximizing the value of every interaction.

Primary Goal

**80%**

EBITDA Margin Target

The Driver

**\$150**

Average Revenue Per Gaming  
Player Visit (ARPGPV)

Volume Base

**1.5M**

Annual Gaming Visits

150k Guest Nights

Sustainability depends on efficiently scaling variable costs while aggressively attacking fixed overhead.

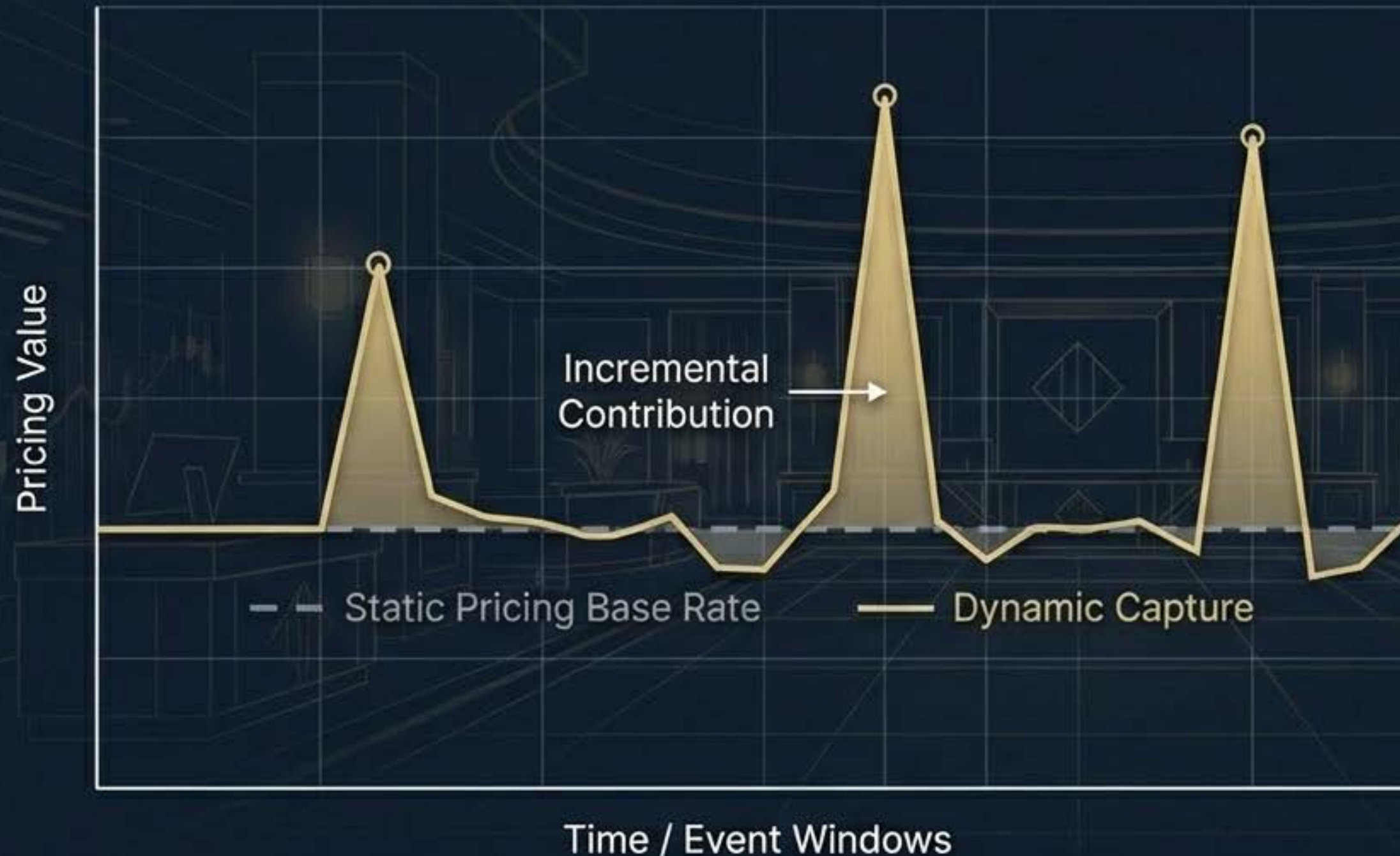
# Non-Gaming Streams Must Clear Variable Hurdles



## Key Financial Targets

- Target State: 15% Blended Margin (Non-Gaming)
- Requirement: Gaming Margin must hit 65%
- Metric: Track daily spend per occupied room night.

# Dynamic Pricing for Fixed Asset Capitalization



## Targets

- Hotel: 150,000 Guest Nights
- Convention: \$3M Revenue Baseline

## The Opportunity

- Tactic: Apply 15% rate lift during peak windows.
- Impact: +\$50 rate on 5,000 peak nights = \$250k immediate profit.

## Action

- Link pricing engines to regional event calendar.

# Engineering the \$150 ARPGPV Through Floor Mix



## Tactical Floor Adjustments

- Adjust slot hold % by 0.5% increments.
- Swap low-hold units for high-volatility machines.
- Introduce \$50 minimums during peak weekend slots.

**1% Hold Increase** on  
\$225M Theoretical Win =  
\$2.25M Annual Profit Uplift.

# Ancillary Revenue: The \$43M Cross-Sell Opportunity



**Target:** ~\$286 combined spend per guest night.

**Tactic:** Offer retail discounts for mid-week stays to smooth occupancy.

# Aligning Variable Labor to the 1.5M Visit Flow



## Key Benchmarks

- **Standard:** Dealer/Security cost < 25% of GGR (Off-Peak).
- **Alert:** Identify scheduling where coverage > 75% utilization.

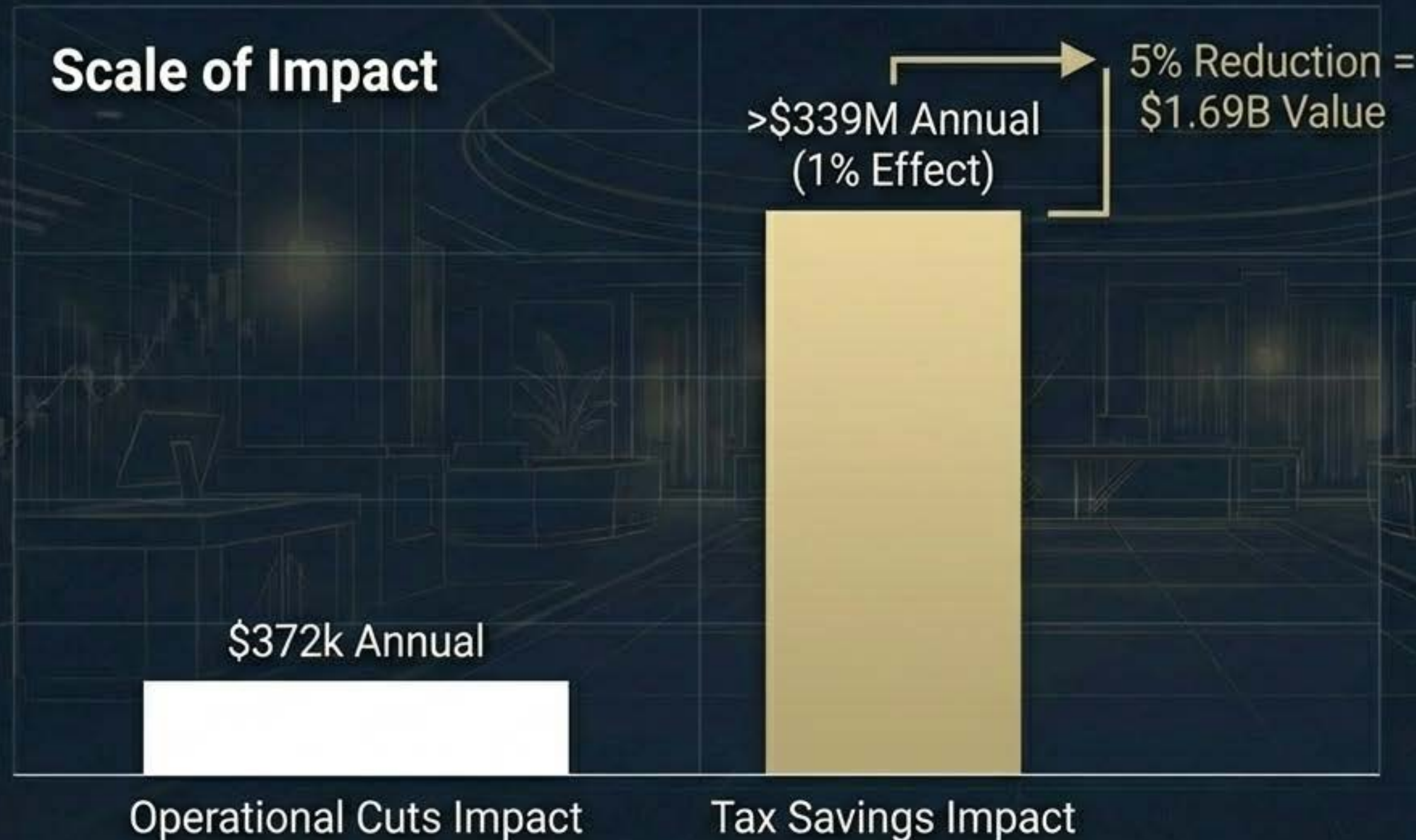
## Action

- Reduce shift overlap by 5% to free payroll.

# Compressing the Fixed Overhead Base



# The Critical Lever: Gaming Tax & License Negotiation



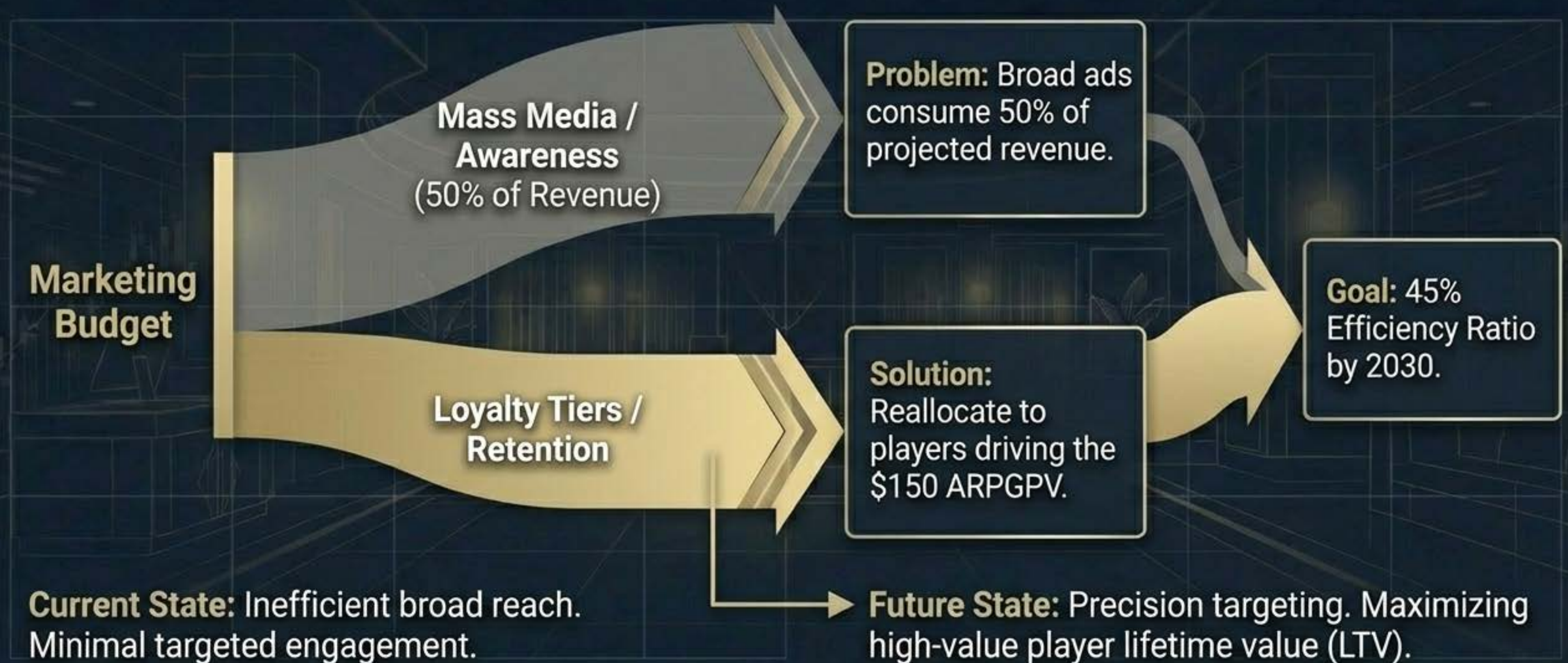
## The Math

- **Current Rate:** 100% of Gaming Taxes/Licensing.
- **The 1% Effect:** A single 1% reduction saves >\$339M annually.
- **The Dream:** 5% reduction = \$1.69B value.

## Action

- Prioritize political capital here immediately.

# Transitioning Marketing Spend: From Awareness to Loyalty



# The Comp Equation: Balancing Cost vs. Yield



- Comps are an acquisition cost, not a gift.
- **Rule:** If comps reduce net win margin by 10 points, volume must increase proportionally.
- **Objective:** Force high-value guests to utilize gourmet dining and retail.

# Implementation Timeline & Strategic Roadmap

1



## Phase 1 (Immediate)

### Quick Wins

- Dynamic Pricing (Hotel)
- Audit Fixed Cost (\$310k)
- Begin Tax Lobbying

2



## Phase 2 (Operational)

### Efficiency

- Deploy Labor Scheduling
- Optimize Floor Mix
- Bundle Ancillary Services

3



## Phase 3 (Strategic)

### Growth

- Finalize Tax Reduction
- Loyalty Program Overhaul (2030 Target)

# Strategic Priorities Summary

**01**

## **MARGIN**

Achieve 80% EBITDA by prioritizing yield (\$150 ARPGPV) over volume.

**02**

## **COST**

Control the \$372M annual fixed overhead. Align labor to traffic.

**03**

## **REVENUE**

Transform Non-Gaming (Hotel/F&B) into profit contributors via dynamic pricing.

**04**

## **LEVER**

Negotiate Gaming Tax rate—the single largest opportunity for margin expansion.