



Management Discussion and Analysis
For the Fourth Quarter and Year Ended December 31, 2024

To Our Shareholders

Management and Directors of Gamehost Inc. (the "Company") present results for the twelve and three months ended December 31, 2024 (the "Year" and "Quarter" respectively).

Operating revenue for the Quarter was down 0.6% to \$21,160,000 (\$21,296,000 - 2023). Earning before interest, taxes, depreciation and amortization ("EBITDA") was down 4.6% to \$8,295,500 (\$8,698,900 - 2023). Earnings per share for the Quarter was \$0.24 (\$0.25 - 2023). Table Hold % fell well short of the comparable quarter and continued to fall short of historical norms during the Quarter. All other revenue streams performed favourably in the Quarter.

For the Quarter, regionally, Calgary reported operating revenues and EBITDA 2.7% and 1.7% higher than the prior year quarter. Results were generally weaker moving northward. Grande Prairie reported operating revenues and EBITDA 4.0% and 10.7% lower than the comparable quarter and Fort McMurray reported operating revenues and EBITDA 8.2% and 12.0% lower than the comparable quarter. Results loosely correlate with weaker population growth and capital investments moving south to north in the province.

Since our last quarterly report, the Alberta Gaming, Liquor and Cannabis ("AGLC") announced they would be extending the temporary two year increase in the operators' share of electronic gaming device win to three years. The 2% increase, from 15.0% to 17.0%, will now expire March 31, 2026. AGLC continues to evaluate the programs success at driving Cash Play.

During the Quarter, the Company repurchased 96,500 common shares for an aggregate \$1,031,000 and reduced debt by \$2,463,600. Debt to EBITDA stands at 1.2 times at the end of the Year.

The Company's board of directors approved a dividend increase of 25% effective November 2024 to \$0.05 monthly (CDN) per common share or \$0.60 (CDN) per common share on an annualized basis. Continued solid operating results, the Company's progress on debt reduction together with a downward trajectory for interest rates provided the necessary backdrop for sustainability.

With inflation largely tamed and the Bank of Canada clearly in an easing cycle, Alberta with its leading population growth should be poised for leading economic results. Recent tariff threats and other noise from a new USA administration are casting economic clouds over all of Canada. These are things we have no control over. We will continue to do what we do best, look after our own house. That said, with consumer response shifting to 'buy Canadian' and 'support local' it can't hurt that we are both.

11-Mar-25

On behalf of all Management and Directors, sincerely,

<signed David J. Will>

David J. Will
President and Chief Executive Officer
Gamehost Inc.

<signed Darcy J. Will>

Darcy J. Will
Vice President and Secretary
Gamehost Inc.

Management's discussion and analysis

For the twelve months ended December 31, 2024

This Management's Discussion and Analysis ("MD&A") of the business, operating results, liquidity, capital resources, and other financial information of Gamehost Inc. (the "Company") is prepared as at March 11, 2025. This MD&A should be read in conjunction with the Consolidated Financial Statements of the Company and accompanying notes for the period ended December 31, 2024 ("Financial Statements").

This MD&A covers the twelve months ended December 31, 2024 (the "Year") with commentary focused on the three months ended December 31, 2024 (the "Quarter"). Readers are directed to prior MD&A for specific discussion of results of previous quarters. Previously issued financial statements and management discussion, and other disclosures of the Company, can be found on the Company website at www.gamehost.ca or SEDAR at www.sedar.com.

Caution to the reader

Use of Non-International Financial Reporting Standards ("IFRS") financial measures

This MD&A makes reference to financial measures that do not have any standardized meaning prescribed by IFRS. Specifically, the MD&A may reference earnings before interest, taxes, depreciation, and amortization ("EBITDA"), EBITDA-related calculations exclude any gains or losses on retirement of assets, foreign exchange gains or losses, and any fair market value adjustments recorded. EBITDA is reconciled to Profit and comprehensive profit on page 13. Dividend pay-out ratio, and normalized dividend pay-out ratio are both non-IFRS financial measures. Dividend pay-out ratio excludes gains or losses on the sale of assets and any capital expenditures funded by debt. Normalized pay-out ratio excludes additional items such as the cost of share repurchases and capital expenditures funded from operating cash flow.

Other industry specific terms and measures relating to the operations of the Company, used throughout this MD&A, are defined when they first appear and capitalized throughout this MD&A.

Forward-looking statements

This MD&A may contain forward-looking information. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements contain wording such as "anticipates," "believes," "could," "expects," "indicates," "plans," or other similar expressions that suggest future outcomes or events. Forward looking information contains risks and uncertainties of varying significance. The Company attempts to minimize the use of forward-looking information. Any use of forward-looking information reflects reasonable assumptions made on the basis of management's current beliefs, with information known by management at the time of writing. Factors that may affect results include, but are not limited to, governmental legislation and regulation at the national, provincial or municipal level, general or local business and economic conditions, financial market volatility, the good standing of our business, gaming and liquor licenses, competition, consumer preferences and disposable incomes, demographic shifts, and weather patterns. Any number of these factors, or others, could cause actual results to differ from forward-looking information. Additional discussion about the inherent risks in forward-looking information and any Company assumptions of risk can be found in the "Business risks, opportunities and outlook" section at the end of this MD&A.

These factors and other risks and uncertainties are discussed in the Company's continuous disclosure documents filed with the Canadian securities regulatory authorities from time to time, and included in the "Risk Factors" section of the Company's most recent Annual Information Form. Continuous disclosure documents are on public record through SEDAR at www.sedar.com.

Forward-looking information contained in this MD&A or documents incorporated by reference are relevant only at the date of the MD&A or document date. Readers should not place undue reliance on forward-looking information, as there can be no assurances that the plans, intentions, or expectations upon which they are based will occur. The Company undertakes no obligation to publicly revise forward-looking information to reflect subsequent events or circumstances.

Disclosure Controls and Procedures and Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. The Company's internal control over financial reporting and disclosure controls and procedures include policies and procedures that: (1) pertain to the maintenance of records that reasonably, accurately, and fairly represent transactions of the Company; (2) provide reasonable assurance that transactions are recorded as required to permit the preparation of consolidated financial statements in accordance with IFRS and that receipts and expenditures are made with appropriate authorization of the Company's management and directors; (3) and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

There has been no change in the Company's internal control over financial reporting or disclosure controls and procedures that occurred during the Year that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting. The effectiveness of internal control over financial reporting has been evaluated at December 31, 2024, and management has concluded that the Company's internal control over financial reporting is designed and operating effectively. There is no "material weakness" relating to the design of the Company's internal control over financial reporting. A "material weakness" is defined as a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the reporting issuer's annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

The Company used COSO 2013 as its framework for establishing internal control over financial reporting.

Organizational structure

Gamehost Inc. is incorporated in Canada under the Business Corporations Act (Alberta). The consolidated financial statements of the Company are comprised of the Company and its subsidiary, Gamehost Limited Partnership.

Shares

The Company had 21,036,343 common shares issued and outstanding as at December 31, 2024 (21,374,543 - December 31, 2023) and 21,015,043 common shares issued and outstanding as at January 31, 2025, which trade on the Toronto Stock Exchange ("TSX") under the symbol GH. The Company is authorized to issue any number, and any class, of shares.

Address

The head office of the Company is located at #104, 548 Laura Avenue, Red Deer County, Alberta, T4E 0A5. The registered office of the Company is located at 2720, 308 4th Avenue SW, Calgary, Alberta, T2P 0H7.

Overview of Gamehost

The Company's activities are all in the province of Alberta, Canada. Operations include Rivers Casino & Entertainment Centre ("Rivers") in Fort McMurray, and Great Northern Casino ("Great Northern") in Grande Prairie, as well as Service Plus Inns & Suites ("Service Plus"), and Encore Suites by Service Plus Inns ("Encore Suites"), both limited service hotels, in Grande Prairie, and the Deerfoot Inn & Casino Inc. ("Deerfoot"), in Calgary.

Gaming operations of the Company are controlled by AGLC and the Interprovincial Lottery Corporation ("ILC"). Operations include Company owned live table games, AGLC owned slot machines, video lottery terminals ("VLT"), electronic gaming tables ("EGT"), and ILC owned lottery ticket kiosks. Hotel operations of the Company include full and limited service hotels, and banquet and convention services. Food, beverages, and entertainment are offered at each of the Company's casino locations.

The Company believes in a combined entertainment and hospitality model. Our model targets the entertainment seeker and social occasional gamer. Clean, inviting venues that deliver live entertainment, lounging and dining, rest and relaxation, together with gaming, are situated in community-based locales.

Overall financial results and condition of the Company

In year-over-year comparison for the Quarter, operating revenue was down \$136,000 or 0.6% from \$21,296,000 to \$21,160,000, EBITDA was down \$403,400 or 4.6% from \$8,698,900 to \$8,295,500 and net earnings to shareholders was down \$291,500 or 5.4% from \$5,389,700 to \$5,098,200.

At the end of the Quarter, the Company had \$175,838,400 in total assets, down from \$179,396,700 at the start of 2024. Cash balances of \$14,393,600 are up \$414,400 from start of 2024. Total bank debt at \$37,393,200 is lower by \$8,773,900 from \$46,167,100 at the start of 2024.

Quarterly performance summary

Quarterly performance	2024				2023			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Operating revenue	\$ 21,160.0	\$ 20,384.2	\$ 20,303.5	\$ 20,547.2	\$ 21,296.0	\$ 21,392.6	\$ 20,833.1	\$ 19,838.6
Cost of sales	(12,897.1)	(12,325.2)	(12,385.6)	(12,449.7)	(12,561.8)	(12,084.9)	(12,192.7)	(11,727.3)
Gross profit	8,262.9	8,059.0	7,917.9	8,097.5	8,734.2	9,307.7	8,640.4	8,111.3
Lease and other income	61.5	61.5	55.9	46.3	51.2	54.9	43.2	42.8
Administrative expenses	(1,142.5)	(1,059.2)	(1,082.7)	(1,317.8)	(1,165.3)	(1,094.1)	(1,075.3)	(1,274.1)
Profit from operating activities	7,181.9	7,061.3	6,891.1	6,826.0	7,620.1	8,268.5	7,608.3	6,880.0
Gain on disposal of assets	-	-	-	9.4	-	-	-	-
Net finance costs	(542.9)	(597.5)	(625.5)	(667.0)	(727.6)	(741.4)	(778.3)	(768.5)
Profit before income taxes	6,639.0	6,463.8	6,265.6	6,168.4	6,892.5	7,527.1	6,830.0	6,111.5
Income tax expense	(1,540.8)	(1,445.2)	(1,475.8)	(1,422.2)	(1,502.8)	(1,752.8)	(1,483.5)	(1,564.5)
Profit and comprehensive profit	5,098.2	5,018.6	4,789.7	4,746.2	5,389.7	5,774.3	5,346.5	4,547.0
Earnings per share								
Basic and diluted	\$ 0.24	\$ 0.24	\$ 0.23	\$ 0.22	\$ 0.25	\$ 0.27	\$ 0.25	\$ 0.21
Weighted average shares outstanding								
	21,087.5	21,165.2	21,265.0	21,358.9	21,459.0	21,706.5	21,761.2	22,161.1
Total Revenue ¹								
	21,267.7	20,500.1	20,414.1	20,650.3	21,406.3	21,534.7	20,950.8	19,962.8
EBITDA	\$ 8,295.5	\$ 8,169.7	\$ 7,991.2	\$ 7,920.7	\$ 8,698.9	\$ 9,459.7	\$ 8,773.6	\$ 8,022.6
EBITDA %	39.0%	39.9%	39.1%	38.4%	40.6%	43.9%	41.9%	40.2%
Dividends declared								
	2,950.7	2,537.6	2,550.4	2,563.1	2,357.9	1,953.6	1,956.1	1,988.5
Dividends declared per share	\$ 0.14	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.11	\$ 0.09	\$ 0.09	\$ 0.09
Normalized dividend payout ratio	53.4%	46.7%	49.0%	49.8%	41.1%	31.4%	33.8%	38.4%

¹ Includes food revenue at gross, finance income, gain on assets disposal, lease and other income.

Operating segments

The Company's reportable segments are strategic business units that offer different services. They are managed separately because of their unique operational and marketing requirements. Each segment compliments the other segments. The Gaming segment includes three casinos offering slot machines and electronic gaming tables, together electronic gaming devices ("EGD"), VLT's, lottery ticket kiosks and live table games. The Hotel segment includes three hotels catering to mid-range clients. The Food and Beverage segment has operations that are located within the casinos and hotels as a compliment to those segments.

twelve months ended December 31, 2024	Gaming	Hotel	Food & Beverage	Corporate and Other ¹	Total
Total revenues	48,789.0	15,376.8	18,383.4	80.3	82,629.5
Profit (loss) before income taxes	23,471.4	3,644.6	3,347.4	(4,926.7)	25,536.7
Segment assets	81,946.8	65,376.2	26,318.8	2,196.6	175,838.4
Segment liabilities	24,435.5	19,150.4	8,994.0	8,983.0	61,562.9
Capital expenditures	270.5	416.0	99.6	-	786.1
twelve months ended December 31, 2023	Gaming	Hotel	Food & Beverage	Corporate and Other ¹	Total
Total revenues	48,680.2	16,217.8	18,614.2	40.1	83,552.3
Profit (loss) before income taxes	24,007.3	4,184.9	3,853.9	(4,684.9)	27,361.2
Segment assets	83,293.8	67,032.8	27,008.9	2,061.2	179,396.7
Segment liabilities	27,786.5	23,334.6	10,700.8	8,776.7	70,598.6
Capital expenditures	274.1	272.3	128.9	(56.2)	619.1

¹ Corporate and Other consists of revenues and expenses which are not allocated to segments and do not meet the definition of an operating segment on their own.

Operating revenue

Operating revenue consists of revenues generated by the Company's operating assets: Rivers, Great Northern, Service Plus, Encore Suites, and Deerfoot. Major revenue streams include rooming revenue, table gaming, slot machines, food and beverage sales, and ancillary revenues.

Operating revenue	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Operating revenue	82,395.0	83,360.3	(1.2%)	21,160.0	21,296.0	(0.6%)

Competing forces of population growth versus inflation have been the story all year long with inflation winning the day when it comes to per capital consumer spending.

Room revenue

Room revenue includes both guest and meeting room sales at hotels. Occupancy is calculated on guest rooms sold plus complimentary guest rooms, while Average Daily Rate (“ADR”) is calculated as guest room revenue divided by sold rooms.

Room revenue	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Room revenue	14,875.3	15,709.0	(5.3%)	3,691.9	3,552.1	3.9%
Occupancy	63.4%	67.9%	(4.5%)	62.5%	61.4%	1.1%
ADR	\$158.90	\$157.79	\$1.11	\$158.03	\$155.81	\$2.22
% of operating revenue	18.1%	18.8%	(0.7%)	17.4%	16.7%	0.7%

Lodging produced mixed results during the Quarter, but overall finished stronger than the prior year.

At Encore Suites in Grande Prairie occupancy was 59.8% for the Quarter compared to 50.7% the prior year. ADR for the Quarter was \$151.36 vs \$152.08 in the prior year. Occupancy and ADR combined for a 17.9% increase in guest room revenue for the Quarter.

Service Plus in Grande Prairie occupancy was 55.6% for the Quarter, down from 63.7% the prior year. ADR for the Quarter was \$136.61 up from \$130.52 in the prior year. Resulting guest room revenue for the Quarter was down 8.7%. A major client tried out the competition during the Quarter, but has since returned.

Deerfoot Inn in Calgary occupancy was 68.5% for the Quarter, up from 65.6% the prior year. ADR for the Quarter was \$172.15 down from \$173.37 the prior year. Occupancy and ADR combined for a 5.0% increase in guest room revenue for the Quarter.

Table game revenue

Table play and table revenue sharing is regulated in Alberta by AGLC. In general terms, ‘Drop’ is the total amount of money cashed to chips at most table games. ‘Hold’ is the amount kept by the table from the Drop. Hold % is the measure of the Hold to the Drop, and can fluctuate significantly. Greater participation by inexperienced players can result in higher Hold percentages. Drop, Hold, and Hold % are not always reliable indicators of table activity or performance.

Example 1 – A player buys \$20,000 in chips at a table. The player plays one hand, loses \$2,000, and cashes out. The Drop is high at \$20,000, and the Hold is good at \$2,000 considering the amount and duration of play. The Hold Percentage is low at 10%. The table was not busy.

Example 2 – A player buys \$5,000 in chips at a table. The player plays all evening before losing \$1,000 and cashing out. The Drop is low at \$5,000, and the Hold is low at \$1,000 considering the amount and duration of play. The Hold Percentage is high at 20%. The table was busy.

The preceding examples demonstrate how variables can provide fluctuating results for Drop, Hold, and Hold %. These statistics can be misleading. At the end of the day, the only measure that really counts is Hold.

Hold is shared in varying percentages between charities and the casino operator depending on the size and location of the casino. The operator’s percentage of the Hold is the ‘Net’ or Net Table Revenue. The game of Poker has a ‘Pot’ rather than a Drop. The Pot is the total amount anted and bet by players at a poker table. ‘Rake’ is the total amount of the Pot that is retained by the table and is usually a flat fee for each hand played. Rake is shared in varying percentages between charities and the casino operator depending on agreements with AGLC. The operator’s percentage of the Rake is the ‘Net.’ Consolidated financial statements of the Company report only the Net of the Hold or Rake.

Net table revenue	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
General, progressive and high limit	11,422.5	12,593.3	(9.3%)	2,824.9	3,320.7	(14.9%)
Poker	4,343.5	3,761.4	15.5%	721.0	784.0	(8.0%)
Total	15,766.0	16,354.7	(3.6%)	3,545.9	4,104.7	(13.6%)
% of operating revenue	19.1%	19.6%	(0.5%)	16.8%	19.3%	(2.5%)

# of tables	End of Quarter		
	2024	2023	+(-)
All Others	35	35	-
Poker	16	16	-
Progressive Table Games	17	17	-
Total	68	68	-

Drop and Hold %	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Drop	107,230.7	101,105.7	6.1%	27,971.9	25,004.9	11.9%
Hold %	19.2%	22.8%	(3.6%)	18.3%	24.1%	(5.8%)

Table Drop was higher for the Quarter, while Hold % was substantially lower than the prior year quarter. Hold % was depressed at all three properties for the Quarter and has been challenging for the entire Year.

Rivers table Drop for the Quarter was down 10.7% while Hold % improved by 0.6 percentage points in year-over-year comparison. Hold % for the Quarter fell short of trailing 24 month averages. Together, Drop and Hold % combined for a 8.2% decrease in Hold for the casino. Poker revenues were down 23.7% in year-over-year comparison for the Quarter.

Great Northern table Drop for the Quarter was down 4.5% in year-over-year comparison. Hold % was lower by 2.7 percentage points in year-over-year comparison. Drop and Hold % combined for a 13.4% decrease in Hold for the casino. Hold % for the Quarter was also below trailing 24 month averages. Poker revenues were flat in year-over-year comparison for the Quarter.

Deerfoot table Drop for the Quarter was up 20.4% in year-over-year comparison. This increase is, perhaps, a bit misleading. A fuel card promotion offered at the property resulted in players buying in and then immediately cashing out ("False Drop") to receive the gift. AGLC has since changed table rules to mandate that play is required to receive promotional specials. Hold % was lower by 7.3 percentage points in year-over-year comparison, and well below trailing 24 month averages. Hold % has struggled to achieve historical levels at the property for the entire Year. Drop and Hold % combined for a 17.2% decrease in Hold for the Quarter. Poker, during the Quarter, also fell short of the prior year, but on an annual basis is up 21.0%.

Electronic Gaming Device Revenue ("EGD")

EGD revenue includes revenue from slot machines and electronic gaming tables. In Alberta, EGD machine odds are regulated by AGLC. The revenue sharing arrangement for amounts won by the machines (Win) is also set by AGLC. Casino operators, charities and the Government of Alberta ("GOA") share the Win on a 15/15/70 split respectively. Average machine Win/day is determined by the number of hours each machine operates, how much money is played on each machine ("Cash Play") during hours of operation, and amount of Win for each machine. Cash Play will be the sum of all cash or chits fed into EGD's and machine credits awarded. Revenue to the operator, or 'Net,' is determined by all of the above factors.

EGD statistics	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Cash Play	1,981,595.2	2,045,331.9	(3.1%)	487,093.3	512,189.3	(4.9%)
Win %	7.7%	7.5%	0.2%	7.7%	7.3%	0.4%
Average active machines ¹	1,603	1,606	(3.0)	1,592	1,602	(10.0)

¹ Average machines in operation during the Quarter based on month end counts.

EGD revenue	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Net	26,070.0	25,298.5	3.0%	6,388.4	6,395.3	(0.1%)
% of operating revenue	31.6%	30.3%	1.3%	30.2%	30.0%	0.2%

The AGLC currently has in place a temporary, two year, 17/15/68 percent split in Win between casino operators, charities and the GOA. During the Quarter, AGLC announced they would be extending the temporary two year increase in the operators' share of EGD Win to three years. The 2% increase, from 15.0% to 17.0%, will now expire March 31, 2026. AGLC continues to evaluate the programs success at driving Cash Play.

Rivers Cash Play for the Quarter was down 9.7% from the comparable quarter. Win % for the Quarter was 10 basis points lower than the comparable quarter. Together, these metrics combined for a decrease in Net revenue of 10.9%.

Great Northern Cash Play for the Quarter was down 11.2% while Win % was higher by 40 basis points. Combined, the two factors resulted in an 6.4% decrease in Net revenue for the Quarter.

Deerfoot Cash Play for the Quarter was up 1.1% while Win % was 50 basis points higher. Combined, the two metrics produced an increase in Net revenue of 8.9% in quarterly comparison.

Food & beverage ("F&B") revenue

Food service operating arrangements differ by property from 100% owner operations to combinations of owner and third party operating agreements. Only beverage service is delivered directly by the Company at all locations. Where food operations are run by a third party, the Company records only the commission on those sales.

F&B Revenue	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Food & mix	8,074.4	7,870.2	2.6%	2,540.7	2,303.4	10.3%
Liquor	9,780.7	10,214.8	(4.2%)	2,878.4	2,887.1	(0.3%)
Total	17,855.1	18,085.0	(1.3%)	5,419.1	5,190.5	4.4%
% of operating revenue	21.7%	21.7%	0.0%	25.6%	24.4%	1.2%

Some significant deviations in Company F&B sales from north to south in the province are noted. Anecdotal analysis suggest a correlation with regional population growth in the province with Calgary having the highest growth of the three regions the Company operates in.

Rivers F&B revenues, net of commissions, were down 9.4% in year-over-year comparison for the Quarter. Gross food sales were up 8.3% during the Quarter while liquor sales declined 9.5%.

Great Northern F&B revenues for the Quarter, net of commissions, were down 3.0% largely due to lower liquor sales.

Deerfoot combined F&B revenues climbed by 8.7% in year-over-year comparison for the Quarter. Food sales were up 10.3% while liquor sales were up by 6.1%.

Ancillary revenue

Ancillary revenue includes the more significant items of automated teller ("ATM") fees including cash call kiosks, VLT, lottery ticket sales, live entertainment sales, cigarette sales, equipment rentals, other guest room charges and miscellaneous revenues.

Ancillary revenue	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Total	7,828.6	7,913.1	(1.1%)	2,114.7	2,053.4	3.0%
% of operating revenue	9.5%	9.5%	0.0%	10.0%	9.6%	0.4%

Ancillary revenue recorded gains during the Quarter largely from ticketing for live entertainment.

Cost of sales

The Company's consolidated statement of comprehensive income uses the 'Function' rather than the 'Nature' method of reporting operating expenses. Costs are reported based on their function within the Company. For example, wage costs that are a function of generating revenue are considered a cost of sales rather than by nature a human resource expense. The Company includes in cost of sales all costs of product sold, direct marketing and promotion expenses, direct human resources costs and administrative personnel where they are integral to managing sales, and all other direct operating costs at the facility level. Depreciation of the facility assets are also included in cost of sales.

Cost of sales	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Total	50,057.7	48,566.6	3.1%	12,897.1	12,561.8	2.7%
% of operating revenue	60.8%	58.3%	2.5%	61.0%	59.0%	2.0%

Cost of sales - cost of product

Cost of product includes the costs of food, beverage and other incidental items purchased for resale. Cost of product will follow the performance of F&B revenue. Other incidental items of cost of product are made up of mostly room service charges in the hotel for such items as long distance telephone calls, movie rentals, laundry, etc. Cost of product as a percentage of corresponding revenues will fluctuate moderately for food & mix and liquor categories depending on the sales mix of individual products. More significant variations in the cost of product percentage can be experienced for sales of other incidental items, due to the dissimilar nature of the products included.

Cost of product	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Food & Mix	2,651.5	2,491.9	6.4%	816.2	730.3	11.8%
Liquor	1,887.6	1,990.7	(5.2%)	549.3	555.1	(1.0%)
Other	322.4	288.1	11.9%	82.8	74.7	10.8%
Total	4,861.5	4,770.7	1.9%	1,448.3	1,360.1	6.5%
% of operating revenue	5.9%	5.7%	0.2%	6.8%	6.4%	0.4%

Cost of product %	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Food & Mix	32.8%	31.7%	1.1%	32.1%	31.7%	0.4%
Liquor	19.3%	19.5%	(0.2%)	19.1%	19.2%	(0.1%)
Other	51.9%	44.8%	7.1%	48.3%	34.0%	14.3%

Great Northern and Rivers have commission-based third party arrangements for food services. Neither location figures prominently into cost of sales % for food.

The Company implemented software at Deerfoot during the Year intended to produce efficiencies in inventory management and food portioning. Initial evaluations are positive.

Cost of sales - operating labour

Operating labour includes wages, salaries, bonuses, benefit costs, payroll taxes and other miscellaneous human resource costs directly attributable to the smooth and safe operation of each facility. No corporate overhead costs are included.

Operating labour	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Operating labour	23,751.2	22,957.8	3.5%	6,096.0	6,077.8	0.3%
% of operating revenue	28.8%	27.5%	1.3%	28.8%	28.5%	0.3%

Cost of sales - marketing and promotions

Marketing and promotions include all donations, sponsorships, and complimentary services offered at properties in addition to direct sales and advertising expenses. Staff promotions, including discounted meal vouchers, are also included under this heading.

Marketing	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Total	4,234.0	3,861.7	9.6%	1,022.3	1,020.0	0.2%
% of operating revenue	5.1%	4.6%	0.5%	4.8%	4.8%	0.0%

Cost of sales - other operating costs

Significant expenditures in this classification include entertainment, certain components of premises leases, repairs & maintenance, utilities, property taxes, depreciation, and operating supplies.

Other operating costs	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Total	17,211.0	16,976.4	1.4%	4,330.5	4,103.9	5.5%
% of operating revenue	20.9%	20.4%	0.5%	20.5%	19.3%	1.2%

Site management has made best efforts to minimize the impact of inflation on costs which is evident in year to date results. Costs for entertainers, equipment repairs and operating supplies were all lower in year-over-year comparison for the Year, but heavily loaded to the Quarter and scewing quarterly comparative figures.

Lease and other income

Lease and other income	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Investment property						
Gross revenue	132.1	95.2	38.8%	30.9	32.4	(4.6%)
Operating costs	(128.1)	(125.7)	(1.9%)	(27.1)	(33.7)	19.6%
Net profit	4.0	(30.5)	113.1%	3.8	(1.3)	392.3%
Lease revenues from food services operators	213.4	207.3	2.9%	54.9	51.8	6.0%
Other income	7.7	15.2	(49.3%)	2.8	0.7	300.0%
Total	225.1	192.0	17.2%	61.5	51.2	20.1%

The Company has a 10,530 square foot investment property, a commercial strip, located adjacent to its other Grande Prairie properties. 4,654 square feet of the property is leased for a term of ten years with two five year renewal options. The Company has recently received a binding offer to lease for an additional 2,200 square feet and a non-binding letter of intent for a further 2,900 square feet of currently vacant space.

Lease revenues arise from leases to third party food service operators occupying space at each of Great Northern and Rivers. The Company is currently negotiating a new lease with the food service operator at Great Northern.

Administrative expenses

Administrative expenditures include all costs not directly attributable to the operation of the Company's operating assets. Management fees, costs associated with being a public issuer, professional fees, corporate office costs, corporate travel expenses, and depreciation of corporate assets are included in this category.

Administrative expenses	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Total	4,602.1	4,608.9	(0.1%)	1,142.5	1,165.3	(2.0%)
% of operating revenue	5.6%	5.5%	0.1%	5.4%	5.5%	(0.1%)

Net finance costs

Interest expense is recorded on the Company's demand term debt and revolver. Interest expense also includes interest accretion on leased right-of-use assets. Interest income is earned on cash balances held in the Company's bank accounts. Amounts are netted for presentation purposes.

Net finance costs	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Total	2,433.0	3,015.6	(19.3%)	542.9	727.6	(25.4%)

Average debt carried during the Quarter was \$8,593,800 lower than the prior-year-quarter. The Quarter benefitted from two jumbo rate cuts of 0.50% in October and December. Variable debt comprised over half of the company's debt during the Quarter. At the end of the Quarter rates on variable debt were a full 1.75% lower than at the end of the prior year.

Income tax

Income tax includes provision for current income taxes, timing differences between depreciation recorded and amounts allowed for tax purposes on property, plant and equipment, capital property and leases. Originations and changes in timing differences are also recorded to income tax expense in the period in which the originations or changes occur. Taxes are calculated using corporate tax rates substantively enacted for the period the taxes are expected to be payable.

Income tax	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Provision for current income tax	5,863.0	6,277.1	(6.6%)	1,517.1	1,555.2	(2.4%)
Deferred tax expense	21.0	26.6	(21.1%)	23.7	(52.4)	(145.2%)
Income tax expense	5,884.0	6,303.7	(6.7%)	1,540.8	1,502.8	2.5%

The combined federal and provincial tax rate in Alberta is 23.0% for 2024 (23.0% - 2023).

The Company has deferred tax assets related to leased assets which are netted against lease liabilities. Management expects the future benefits of these assets to be fully realized.

Reconciliation of EBITDA to Profit and comprehensive profit

EBITDA to Profit and comprehensive profit	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
EBITDA	32,377.2	34,954.8	(7.4%)	8,295.5	8,698.9	(4.6%)
Adjustments:						
Amortization on property, plant and equipment	(4,205.0)	(4,275.7)	(1.7%)	(1,067.5)	(1,019.7)	4.7%
Finance costs	(2,644.9)	(3,317.9)	(20.3%)	(589.0)	(786.7)	(25.1%)
Income tax expense	(5,884.0)	(6,303.7)	(6.7%)	(1,540.8)	(1,502.8)	2.5%
Gain on sale of assets	9.4	-	nmf	-	-	nmf
Profit and comprehensive profit	19,652.7	21,057.5	(6.7%)	5,098.2	5,389.7	(5.4%)

Facility enhancement

Capital expenditures	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
Capital maintenance	786.1	619.1	27.0%	214.5	71.2	201.3%

Capital expenditures, planned and unplanned, fell within anticipated range during the Year and Quarter.

Financial condition

Liquidity

Net cash provided by operating activities totaled \$6,354,500 for the Quarter versus \$5,026,300 in the prior year quarter. Cash balances totaled \$14,396,600 compared to \$13,979,200 at the start of 2024. Factors affecting the Company's ability to generate cash in the near and longer terms are listed in the section 'Forward looking statements.' These factors are discussed in more specific terms in the section 'Business risks, opportunities and outlook.'

The Company has a \$30,000,000 revolving credit facility of which \$18,058,500 is available at the end of the Quarter.

The Company's cash balances are made up of cash floats and traditional bank balances.

Working capital

Internal working capital requirements for the Company consists of cash floats for the operation of gaming tables, EGD's, VLT, ATM machines, Ticket In Ticket Out terminals, POS terminals, progressive jackpots and petty cash. Float amounts are set by management and will fluctuate based on activity levels in the casinos. Management works to minimize any float balances on premises to a maximum 165% of combined average daily slot and VLT Cash Play and table Drop activity levels with cash surplus held in bank accounts or used to reduce revolving debt.

In addition to cash floats on premises, the Company maintains cash sufficient to fund one month's operating expenses, one month's interest cost on traditional debt facilities and one month's dividends payable to the Common Shareholders less amounts due to related parties. Unused portions of revolving debt are considered working capital in the Company's determination of internal working capital.

Inventory levels and receivable targets vary by operation. Minimum targets include a food and beverage inventory turnover ratio of 8.0 times. Receivables include statutory and AGLC amounts which can be expected to be cleared within 30 days. Other trade receivables are limited to hotel and banquet operations. Operations are expected to maintain a day's-sales-outstanding ("DSO") not greater than 45 days. The Company's objective is to maintain the highest relationship with suppliers and remit all payables within stated terms, typically 30 days, but the Company will take advantage of all early payment discounts offered.

AGLC requires all casinos to maintain a Minimum Continuing Net Working Capital Position ("MCNWCP"). The MCNWCP is a requirement for casino operations only. Additional working capital from non-casino operations and available debt facilities can be used to satisfy the requirement. The calculation of MCNWCP includes cash floats, restricted cash, one month's operating expenses, and one month's interest costs on debt facilities. The Company is compliant with MCNWCP.

The Company's term debt includes demand clauses in the event certain performance covenants are not met. The Company's lender does not consider term debt to be current obligations. The Company is compliant with all debt covenants.

Commitments

The Company has various other contractual commitments. Future undiscounted minimum payments of these commitments are:

Commitments

	Total	One year or less	Two to five years	More than five years
	596.4	586.3	10.1	-

Dividend policy and practice

The board of directors of the Company is responsible for determining the dividend policy of the Company. Under the Alberta Business Corporations Act ("ABCA"), the dividend policy must comply with the requirements of the ABCA, including satisfying the dividend test applicable to ABCA companies (i.e. an ABCA company shall not declare or pay a dividend if there are reasonable grounds for believing that (a) a company is, or would after the payment be, unable to pay its liabilities as they become due, or (b) the realizable value of the company's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes).

The Company's board of directors has currently endorsed a regular monthly dividend of \$0.05 per common share. The Company's Board of Directors retain the right to modify the dividend policy from time to time at its discretion.

Dividend pay-out ratio

There is no standardized method for calculating dividend pay-out ratio under IFRS. The Company's method for determining its dividend pay-out ratio deducts all debt service costs, depreciation and interest expenses on right-of-use assets and current income tax expenses from EBITDA earned during the same period, regardless of the timing of settlement for those costs. Dividend pay-out ratio is normalized for reporting purposes by removing non-routine or volatile items such as capital maintenance or share repurchases paid for from operating cash flow and any gains or losses on disposal of assets.

Dividend pay-out ratio	Q4 (twelve months)			Q4 (three months)		
	2024	2023	+(-)	2024	2023	+(-)
EBITDA	32,377.2	34,954.8	(7.4%)	8,295.5	8,698.9	4.6%
Adjustments (excl. Non-controlling interest portions)						
Scheduled principal payments on demand debt	(1,794.1)	(1,693.1)	6.0%	(463.6)	(431.2)	7.5%
Interest expensed	(2,260.4)	(2,894.3)	(21.9%)	(497.4)	(686.0)	(27.5%)
Depreciation and interest - right of use assets	(1,147.9)	(1,166.3)	(1.6%)	(290.5)	(294.1)	(1.2%)
Current Income tax expense	(5,863.0)	(6,277.1)	(6.6%)	(1,517.1)	(1,555.2)	(2.4%)
Cash available for distribution	21,311.8	22,924.0	(7.0%)	5,526.9	5,732.4	(3.6%)
Dividends declared	10,601.8	8,256.0	28.4%	2,950.7	2,357.8	25.1%
Surplus to dividends declared	10,710.0	14,668.0	(27.0%)	2,576.2	3,374.6	(23.7%)
Normalized dividend pay-out ratio ¹	49.7%	36.0%	13.7%	53.4%	41.1%	12.3%
¹ Share repurchases and capital expenditures are removed for the purposes of normalizing dividend pay-out ratios.						
Dividend per common share	\$ 0.50	\$ 0.38	\$0.12	\$ 0.14	\$ 0.11	\$0.03

Cash dividends declared

2024 dividend summary

Month	Per Share	Date			Shares o/s ¹	Dividends ¹
		Declared	Record	Payment		
January	\$ 0.0400	17-Jan-24	31-Jan-24	15-Feb-24	21,374.5	855.0
February	0.0400	20-Feb-24	29-Feb-24	15-Mar-24	21,374.5	855.0
March	0.0400	12-Mar-24	31-Mar-24	15-Apr-24	21,328.5	853.1
April	0.0400	16-Apr-24	30-Apr-24	15-May-24	21,303.3	852.3
May	0.0400	8-May-24	31-May-24	14-Jun-24	21,257.7	850.3
June	0.0400	18-Jun-24	30-Jun-24	15-Jul-24	21,194.6	847.8
July	0.0400	16-Jul-24	31-Jul-24	15-Aug-24	21,174.0	847.1
August	0.0400	13-Aug-24	31-Aug-24	13-Sep-24	21,154.6	846.2
September	0.0400	16-Sep-24	30-Sep-24	15-Oct-24	21,135.4	845.4
October	0.0400	17-Oct-24	31-Oct-24	15-Nov-24	21,107.9	844.3
November	0.0500	12-Nov-24	30-Nov-24	13-Dec-24	21,068.2	1,053.4
December	0.0500	16-Dec-24	31-Dec-24	15-Jan-25	21,037.6	1,051.9
Total	\$ 0.5000					10,601.8

2023 dividend summary

Month	Per Share	Date			Shares o/s ¹	Dividends ¹
		Declared	Record	Payment		
January	\$ 0.0300	16-Jan-23	31-Jan-23	15-Feb-23	22,287.7	668.6
February	0.0300	10-Feb-23	28-Feb-23	15-Mar-23	22,088.1	662.6
March	0.0300	14-Mar-23	31-Mar-23	14-Apr-23	21,907.2	657.2
April	0.0300	17-Apr-23	30-Apr-23	15-May-23	21,790.1	653.7
May	0.0300	9-May-23	31-May-23	15-Jun-23	21,706.5	651.2
June	0.0300	15-Jun-23	30-Jun-23	14-Jul-23	21,706.5	651.2
July	0.0300	17-Jul-23	31-Jul-23	15-Aug-23	21,706.5	651.2
August	0.0300	8-Aug-23	31-Aug-23	15-Sep-23	21,706.5	651.2
September	0.0300	18-Sep-23	30-Sep-23	13-Oct-23	21,706.5	651.2
October	0.0300	16-Oct-23	31-Oct-23	15-Nov-23	21,595.7	647.9
November	0.0400	14-Nov-23	30-Nov-23	15-Dec-23	21,374.5	855.0
December	0.0400	19-Dec-24	31-Dec-23	15-Jan-24	21,374.5	855.0
Total	\$ 0.3800					8,256.0

¹ Shares outstanding and dividends includes repurchases pending cancellation.

Productive capacity

The Company's assets include land, land improvements, buildings, leases, leasehold improvements, and furniture, fixtures and equipment. At the end of the Quarter, productive capacity of the Company consisted of 122 guest rooms and 1 meeting room at Service Plus, 94 guest rooms and one meeting room at Encore Suites, and 188 guest rooms, 10 meeting/banquet rooms, 1 showroom, 3 restaurants and three lounges at Deerfoot. Both Great Northern and Rivers have a showroom for live events and separate cafe and/or lounge dining areas. Also included in productive capacity are the Company's interests in three gaming licenses, one each for Rivers Casino & Entertainment Centre, Great Northern Casino, and Deerfoot Inn & Casino. Together these licenses provide a revenue stream for the Company from an available 1,592 EGD's, 54 VLT's, 68 table/poker games, and other ancillary equipment.

Productive capacity	Gaming sq. ft	Non-gaming sq. ft.	Guest rooms	F&B, banquet, live event seating	EGD's and VLT's	Tables including poker	Lease/ retail sq. ft.
At January 1, 2022	114,356	26,074	404	3,270	1,703	62	15,043
Additions (deletions)							
Deerfoot					(20)	4	
Rivers					(1)		
Great Northern - renovation				20	(18)	1	
at January 1, 2023	114,356	26,074	404	3,290	1,664	67	15,043
Additions (deletions)							
Deerfoot - into-service (out-of-service)					(5)	1	
Great Northern, into-service (out-of-service)					(3)		
at December 31, 2023	114,356	26,074	404	3,290	1,656	68	15,043
Additions (deletions)							
Rivers					(10)		
at December 31, 2024	114,356	26,074	404	3,290	1,646	68	15,043

AGLC, from time to time, will adjust machine types and placements with new product or higher performing product. Ten electronic roulette seats were removed at Rivers during the Year.

Productive capacity maintenance

Productive capacity maintenance costs for facilities of the Company are minimal. Maintaining the shine on our properties so that they continue to attract guests is largely a program of regular refurbishment such as paint or new carpets. For the most part, maintenance costs are treated as operational expenses at the time they are incurred and as such are already included in the periodic cash provided by (used for) operating activities as reported in consolidated financial statements. Management may, however, undertake smaller capital projects to be paid from cash generated from operating activities. These capital costs, when funded from operating cash flow, would fall into the category of productive capacity maintenance.

Liquor sales require the Company to hold valid liquor licenses issued by AGLC. Productive capacity maintenance of liquor sales is most significantly related to keeping these licenses in good standing, and requires the Company to pay for liquor orders electronically prior to delivery from AGLC wholesale division.

EGD's and VLTs are owned and maintained by AGLC. Lottery equipment is owned and maintained by ILC. Live table games are owned or leased and maintained by the Company. Productive capacity maintenance of both tables and electronic gaming devices are more significantly measured in terms of maintenance of the Company's charitable gaming facility operator licenses issued by AGLC. Holders of these licenses must adhere to a strict set of terms and conditions. The Company's three licenses were renewed for six year terms expiring in June 30, 2029. The Company considers the licenses to have indefinite life.

Normal annual capitalized costs for productive capacity maintenance are not expected to exceed \$0.8 million in any given year.

Discretionary and other items

From time to time, at their discretion, management or directors may elect to use or reserve cash for other purposes. Discretionary uses of cash reduce the availability of cash for distribution to shareholders.

Long-term unfunded contractual obligations

The Company has no long-term unfunded contractual obligations. The Company does not have a pension plan or stock based compensation plan. The benign nature of the Company's operations does not require that reserves be set up for environmental clean up, asset retirement, or other real or potential liabilities.

Capital Strategy

Current debt instruments will be maintained or eliminated to the extent they allow for repayment. Debt maintenance includes regular amortized monthly principal payments, and intermittent payments on outstanding revolving debt instruments when surplus cash is available. Management's objective is to limit total debt to EBITDA to a ratio of 1.5 to 1 or less until such time as opportunities encourage or conditions require a different strategy.

Larger scale expansions or acquisitions would be funded by debt or equity at the discretion of the directors of the Company.

The Company intends to repay existing non-revolving debt obligations over a period of time, which will allow it to pay dividends in the manner described under "Dividend policy and practice." Current loan agreements and interest rates allow for scheduled amortization periods of between 10 years and 20 years, 3 months.

Financing restrictions on dividends caused by debt covenants

The Company has four term loans secured by assets owned or leased by the Company. The loans require blended principal and interest payments, which are scheduled to amortize over 10 years and 20 years, 3 months. The Company also has a revolving loan secured by the same assets requiring interest only payments.

Income taxes

The Company is subject to income taxes and makes installment payments based on estimated taxable income.

Tax attributes of dividends to Shareholders

Dividends paid to Shareholders are considered 'eligible dividends.' Eligible dividends are subject to a schedule of gross-up rates and enhanced dividend tax credits, providing the investor with a more favourable income stream for tax purposes. Generally, the Income Tax Act aims to provide a lower tax rate on all dividends ultimately sourced from income subject to the usual corporate level tax rates in Canada (i.e., income that is not income of a Canadian-controlled private corporation (CCPC) subject to the small business rate).

Income taxes

Income taxes include provisions for income taxes payable on current year taxable income, and temporary differences and carry-forwards, which give rise to future income tax assets and liabilities. Taxes are calculated using the applicable combined federal and Alberta tax rate substantively enacted. To the extent taxes can be deferred, they will be calculated at the rate of tax expected at the time the future tax asset or liability will be realized.

Current income tax

twelve months ended December 31	2024	2023
Current tax expense	5,863.1	6,277.1
Permanent differences	20.9	26.6
Income tax expense	5,884.0	6,303.7

Reconciliation of effective tax rate

Actual income tax expense differs from the expected income tax expense that would have been computed by applying the statutory income tax rate to earnings before income taxes for the following reasons:

twelve months ended December 31	2024	2023
Shareholder profit excluding income tax	25,536.7	27,361.2
Income tax using Company's domestic tax rate	23.0%	23.0%
Expected income tax expense	5,873.4	6,293.1
Adjustments in determining income tax expense		
Permanent differences	10.6	10.6
Income tax expense	5,884.0	6,303.7

Capital resources

The Company has variable rate loans ("Loan 1" and "Loan 3") secured by land, buildings and assignment of rents and leases. The Company is making blended monthly principal and interest payments on these loans, amortized over 182 months. Pre-payments without penalty are allowed. Both loans were renewed December 1, 2024 and were previously

The Company has a variable rate loan ("Loan 2") secured by land, buildings and assignment of rents and leases. The Company is making blended monthly principal and interest payments on the loan, amortized over 71 months. Pre-payments without penalty are allowed.

The Company has a variable rate loan ("Loan 4") secured by land, buildings and assignment of rents and leases. The Company is making blended monthly principal and interest payments on the loan, amortized over 88 months. Pre-payments without penalty are allowed.

A demand revolving credit line with an available limit of \$30,000.0 is secured by the same assets as the above loans, and requires interest only payments. The carry value of pledged assets for all loans total \$156,263.7.

	Maturity date	December 31, 2024	December 31, 2023
Credit facilities available at face value			
Revolving credit line		30,000.0	30,000.0
Loan 1	1-Feb-40	12,156.5	12,748.7
Loan 2	1-Nov-30	3,299.7	3,730.0
Loan 3	1-Feb-40	4,397.2	4,606.8
Loan 4	1-Apr-32	5,598.3	6,160.4
		55,451.7	57,245.9
Carrying value of borrowed amounts			
Current liabilities			
Revolving credit line		11,941.5	18,921.2
Loan 1		530.4	592.0
Loan 2		486.1	424.6
Loan 3		191.9	209.7
Loan 4		638.6	551.6
		13,788.5	20,699.1
Non-current liabilities			
Loan 1		11,626.1	12,156.7
Loan 2		2,813.6	3,305.4
Loan 3		4,205.3	4,397.1
Loan 4		4,959.7	5,608.8
		23,604.7	25,468.0
		37,393.2	46,167.1
Interest rate			
Revolving credit line ¹		5.45% (P +0.00%)	7.20% (P +0.00%)
Loan 1 ¹		5.45% (P +0.00%)	3.50%
Loan 2 ¹		5.45% (P +0.00%)	7.20% (P +0.00%)
Loan 3 ¹		5.45% (P +0.00%)	3.50%
Loan 4 ¹		5.45% (P +0.00%)	7.20% (P +0.00%)

¹ Rate at the end of the Year

The Company may cause to be issued unlimited numbers of shares or other securities provided they do not rank ahead of the common shares of the Company as to dividends, voting rights, and other rights protected by the Limited Partnership Agreement.

Financial instruments

Fair value

The fair value of cash, restricted cash, trade and other receivables, trade and other payables, loans and borrowings and dividends payable, approximate their carrying value due to the short-term maturities of these instruments.

Interest rate risk

The Company's interest rate risk arises primarily from its variable rate debt in the aggregate amount of \$37,393,200. The Company is paying interest at 5.45% on variable rate debt at the end of the Year. A 1.0 percentage point increase in interest rates would have an unfavourable impact on earnings of \$373,900 or \$0.02/common share on an annualized basis.

Credit risk

Credit risk arises from cash held with banks and credit exposure to customers and lessees. The Company's day-to-day commercial banking is with 'A' rated Canadian financial institutions. Day-to-day commercial banking is not concentrated with a single financial institution.

The Company, in the normal course of operations, monitors the financial condition of its customers, lessees and other receivables. A significant portion of lessee receivables are tied to point-of-sale systems (POS) owned by the Company from which the Company collects all revenues. Amounts due to the lessee are paid net of any commissions or past due rents. Therefore, lessee receivables are considered low risk. The Company does not have significant exposure to any individual customer or counterparty. Stated credit terms are typically 30 days, but in practice extend 90 to 120 days for select customers operating in the energy sector which is common industry practise. Individual accounts are monitored at minimum monthly and any unexpected changes are escalated to senior management on a case-by-case basis. Individual accounts are considered fully collectable until a notice of receivership is received or communication from the customer ceases.

Carrying amounts of accounts receivable are reduced for expected credit losses ("ECL") based on historical results and a factor for any deterioration in the economic and credit environment. Direct losses are recorded on an account-specific basis when appropriate. Carrying amounts of accounts receivable are reduced by direct write-off to earnings in the period of loss recognition. Strength in the fossil fuel sector has reduced credit risk. Management continues to monitor all accounts. DSO at the end of the Period is well within Company targets. The Company has not recorded an adjustment for ECL.

Liquidity risk

Liquidity risk arises from excess financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient, readily available reserves in order to meet on-going liquidity requirements.

Accounts payable, excluding accrued liabilities, are due in 90 days or less.

The Company has loans scheduled for monthly blended payments that will fully amortize term loan balances by November 2030, April 2032, and February 2040.

AGLC requires all casinos to maintain a Minimum Continuing Net Working Capital Position ("MCNWCP"). The MCNWCP is a requirement for casino operations only. Additional working capital from non-casino operations and available debt facilities can be used to satisfy the requirement. The calculation of MCNWCP includes cash floats, restricted cash, one month's operating expenses, and one month's interest costs on debt facilities. The Company is in compliance with this requirement.

Following are the undiscounted contractual maturities of financial liabilities, including estimated interest payments:

As at December 31, 2024	Carrying amount	Contractual cash flows	1 year or less	2 to 5 years	More than 5 years
Trade and other payables	4,729.4	4,729.4	4,729.4	-	-
Non-revolving loans	25,451.7	35,038.6	3,188.4	12,753.6	19,096.6
Revolving credit facility	11,941.5	11,941.5	11,941.5	-	-
Dividends payable	1,051.9	1,051.9	1,051.9	-	-
	43,174.5	52,761.4	20,911.2	12,753.6	19,096.6
<hr/>					
As at December 31, 2023					
Trade and other payables	4,546.3	4,546.3	4,546.3	-	-
Term and non-revolving loans	27,245.9	35,804.3	3,056.4	12,225.5	20,522.4
Revolving credit facility	18,921.2	18,921.2	18,921.2	-	-
Dividends payable	855.0	855.0	855.0	-	-
	51,568.4	60,126.8	27,378.9	12,225.5	20,522.4

Foreign currency risk

The Company's foreign currency risk arises primarily from the purchases of specialized goods and services in United States dollars. While not significant, fluctuations in the exchange rate between the Canadian and United States dollar result in exchange gains or losses. The Company mitigates foreign currency risk by purchasing United States dollars when deterioration in exchange rates is expected. United States currency is held in United States dollar denominated bank accounts for this purpose.

Industry risk

The Company's operations are all located in Alberta, and to varying extents derive portions of their business income from corporate clients in the energy sector. As a result, the Company is exposed to some industry risk.

Inflation risk

Though inflation has returned to the Bank of Canada's target range, geopolitical events, protectionist tariffs and robust population growth may still have continuing adverse impacts for inflation. The Company may not be able to pass the full effect of increased costs on to its customers which in turn could weigh on margins.

Shareholder equity

The Company is authorized to issue an unlimited number of shares of any class. Common shares are valued at the original contributed capital amount, as at the 2003 plan of arrangement forming the former Gamehost Income Fund, plus fair value adjustments on former Class B limited partnership units that were converted to common shares, plus shares purchased by the Company for cancellation under normal course issuer bids, plus convertible debentures that were converted to common shares, and amortization of a conversion privilege on the Company's matured debentures.

On July 21, 2022 the Company commenced a normal course issuer bid (the "2022 Bid"). Pursuant to the 2022 Bid, Gamehost was authorized to purchase for cancellation up to a maximum of 1,124.7 thousand common shares, being equal to 10% of Gamehost's public float on July 11, 2022. The 2022 Bid terminated on July 20, 2023. Common shares purchased under the 2022 Bid totaled 756,256 at prices averaging \$8.31/common share before commissions for an aggregate \$6,284.2. Common shares purchased under the 2022 Bid during 2023 totaled 585,327 at prices averaging \$8.39/common share for an aggregate \$4,908,846.

On August 14, 2023 the Company commenced a normal course issuer bid (the "2023 Bid"). Pursuant to the 2023 Bid, Gamehost was authorized to purchase for cancellation up to a maximum of 1,085,300 common shares, being equal to 5% of Gamehost's issued and outstanding common shares on July 31, 2023. The 2023 Bid terminated on August 13, 2024. Common shares purchased under the 2023 Bid totaled 541,549 at prices averaging \$9.42/common share for an aggregate \$5,099,976. Common shares purchased under the 2023 Bid during the Year totaled 209,600 at prices averaging \$10.18/common share for an aggregate \$2,134,682.

On August 20, 2024 the Company commenced a normal course issuer bid (the "2024 Bid"). Pursuant to the 2024 Bid, Gamehost is authorized to purchase for cancellation up to a maximum of 1,058,822 common shares, being equal to 5% of Gamehost's issued and outstanding common shares on August 6, 2024. Notwithstanding the foregoing, pursuant to the rules of the TSX, Gamehost may not purchase more than 1,334 common shares in any one day, such amount being equal to 25.0% of the average daily trading volume for the six months ended July 31, 2024 which was 5,342 common shares. The 2024 Bid will terminate on August 19, 2025 or such earlier time as the 2024 Bid is completed or terminated at the option of the Company. During the Year, the Company purchased for cancellation 128,600 common shares under the 2024 Bid at prices averaging \$10.65/common share for an aggregate \$1,369,115.

Related party transactions

Related party transactions are measured at the exchange amount, which is the amount agreed to by the Company and the related parties.

The Company had related party transactions with David Will and Darcy Will and/or companies owned or controlled by David Will and/or Darcy Will (collectively the "Wills"). The Wills are key management personnel, directors of the Company, and significant shareholders. Together, the Wills control 35.2% (34.8% - December 31, 2023) of the outstanding common shares of the Company at end of the Year.

- The Company incurred \$1,673,300 (\$1,733,900 - 2023) in management compensation with the Wills for the Year which is included in administrative expenses. Compensation is in the form of short term employee benefits, director fees, management agreements, and a general partnership agreement between Gamehost Inc, Gamehost Limited Partnership and the managing partner, Gamehost Management Inc. Management fees stipulated in management services agreements are based on a percentage of revenues and/or earnings before interest, taxes, depreciation and amortization. \$5,800 (\$3,600 - 2023) remains in accounts payable at the end of the Year.
 - A management services agreement between the Company and the Wills stipulates that the Wills are entitled to 1.5% of the gross revenues plus 2.0% of operational earnings before interest, taxes, depreciation, amortization, and extraordinary items from Deerfoot Inn & Casino and then 1.5% of gross operating profit before interest, taxes, depreciation, amortization, and extraordinary items of the Company. These amounts are included in administrative expenses.
 - The management services company engaged to perform the services referred to above is also the general partner of Gamehost Limited Partnership. The partnership agreement stipulates that the general partner is entitled to 0.01% of all cash distributions of the partnership. These amounts are included in administrative expenses.
- The Company incurred \$nil (\$69,400 – 2023) of charter aircraft rental expenses for the Year with Will Air Inc., a company controlled by the Wills, which is included in administrative expenses.
- The Company incurred \$84,700 (\$91,000 – 2023) of office rent expenses for the Year which is included in administrative expenses. The Company rents office space from DJ Will Holdings Limited, a company wholly owned by David Will. \$7,200 (\$8,300 - 2023) remains in accounts payable at the end of the Year.

- The Company incurred \$583,300 (\$547,900 – 2023) in allocated expenses during the Year which is included in operating expenses. DJ Will Holdings Limited and Darcy Co Holdings Ltd, companies wholly owned by David Will and Darcy Will respectively, allocate portions of their holding companies expenses incurred for the benefit of the Company based on usage. \$42,400 (\$46,800 - 2023) remains in accounts payable at the end of the Year.
- The Company advanced \$nil (\$101,400 - 2023) for construction projects during the Year which is included in property, plant and equipment. From time to time, the Company engages DJ Will Construction Inc, a company controlled by the Wills, to act as general contractor for capital projects.

The Company incurred \$185,200 (\$185,200 – 2023) in directors fees for the Year paid to other directors of the Company which is included in administrative expenses.

The Company incurred \$60,500 (\$34,400 – 2023) in office rent for the Period paid to 669293 Alberta Ltd., a company controlled by the Company's COO, which is included in administrative expenses. The Company formerly rented office space from a third party. These costs are included in administrative expenses.

The Company directly incurred \$235,300 (\$215,400 – 2023) of charter aircraft rental expenses during the Year with Noren Air Inc., a company controlled by the Company's COO. These costs are included in administrative expenses. \$17,000 (\$nil - 2023) remains in accounts payable at the end of the Year.

The Company incurred \$649,700 (\$635,000 – 2023) during the Year in key management personnel compensation paid or accrued to other officers or companies controlled by other officers of the Company, which is included in administrative expenses. Included in these figures are monthly fees paid under an operational services agreement between the Company and the Company's COO for overseeing site operations of the Company.

Business risks, opportunities and outlook

General economic outlook

A newly elected USA administration is creating uncertainty on numerous fronts across the globe. This will weigh on global growth in 2025. It will also add to the residual weight of higher interest rates, inflated costs and housing pressures in many areas around the globe. In the latest International Monetary Fund reports, global growth is projected at 3.3% for each of 2025 and 2026 which is below averages of the previous 20 years with risks leaning to the downside.

The outlook for the Canadian economy is generally improving for 2025 with inflation returning to target levels quicker than in some other economies. In response, the Bank of Canada has been an 'early cutter' of rates and this may show up first in Canadian economic performance versus our economic peers. Canada is expected to grow by 2% in 2025. Thoughts on the motivation behind and the impact of the USA threatening tariffs on Canada are all over the map. An RBC report downplays the threat, given their negative impact on Americans.

Local economic outlook

Alberta's economy is projected to grow by 2.8% in 2025 and lead all provinces. The impact of the Trans Mountain pipeline expansion, elevated population growth, lower interest rates and tamed inflation are improving the outlook in the province. Alberta was the fastest growing province in Canada with newcomers citing employment, lower taxes and affordable housing as their reasons for moving. The actual impact of tariff wars on local economies is hard to predict, though they can not be viewed as positive.

The completion and commissioning of the Transmountain pipeline in 2024 is expected to reduce the differential on Western Canadian Select from Alberta and allow for increased production from Alberta's oil sands. This should spur additional investment in the Fort McMurray region.

The Grande Prairie region is expected to continue to benefit from elevated energy related activity due in large part to the completion and commissioning of LNG Canada's export facility on Canada's west coast and the Coastal Gaslink pipeline that will ship the natural gas. LNG Canada is one of seven LNG export projects in various stages of approval/development off of British Columbia's coast.

Calgary was the fastest growing city in Canada in 2024 at 4.3%. The province and city continue to see positive trends in economic diversification.

Government regulation

The Alberta and Canadian gaming industries are highly regulated by provincial governments resulting in high barriers of entry. Revenue sharing agreements between governments and operators are subject to change by unilateral government action. Revenue sharing and operator agreements are not the same from province to province. Neither are they the same for traditional casino operators and First Nations casino operators. Traditional casino operators in Alberta receive less favourable compensation when compared to competing Alberta First Nations operators and some of their provincial counterparts.

Competition

AGLC's online gambling site, PlayAlberta.ca, which includes some sports betting, largely attracts net new money from unregulated offshore virtual sites rather than divert from Alberta's land-based casinos. Money gambled through PlayAlberta.ca goes directly into general revenues for the province with no direct benefit to charitable organizations as is the case through Alberta's land-based casinos. AGLC believes PlayAlberta has captured 45% of the digital gaming market in Alberta. Nevertheless, AGLC was telegraphing a more aggressive push into igaming similar to the platform in use in Ontario. In October, 2024, GOA minister responsible abruptly applied the brakes to any rollout, but made it clear that the Justice Minister, not AGLC, would be responsible for igaming. There have been no further updates.

Management is not aware of any gaming expansions that could have a material effect on the Company's operations.

There are eight slot gaming licences issued in the Calgary region including a racing entertainment centre (REC) located in an adjacent county to the north. The Company's Deerfoot Inn & Casino is located deep in the south east quadrant of the city with the nearest casino competition some 13 kilometres to the north west. There is sparse nearby competition to the Deerfoot's rooming business. The closest being a property operated by a related party to Deerfoot. This property operates at a different price point to the Deerfoot and has been beneficial in boosting room capacity for banquets and conferences held at Deerfoot Inn & Casino. Otherwise, the next closest comparable competition is an older property located 4.2 kilometres to the north, which also offers banquet and convention services.

A First Nations casino on Calgary's western edge also provides hotel accommodations, meeting/conference space and event space. The First Nations live entertainment showroom allows for larger single night performances than can be accommodated at Deerfoot, but otherwise, the Deerfoot maintains a superior overall location and conference packaging.

AGLC recently approved an application to move a rural casino to the City of Edmonton after two years earlier denying the same application. The approval allows the relocated casino to maintain its rural charity base which has resulted in opposition from local Edmonton residents and charities. A similar scenario in Calgary cannot be ruled out.

The Great Northern Casino in Grande Prairie is the only full service casino in the city. Evergreen Park, the area's Agribition and trade grounds located 8.5 kilometres from the city centre, operates a small REC with off-track betting, 99 slot machines and VLTs. Great Northern Casino has the city's premier intimate live entertainment space. The F&B market is competitive and ever-changing, but the casino's unique offering and location give it a competitive niche.

The Company's Service Plus and Encore Suites hotel properties operate in a highly competitive market. Both properties succeed on superior location and service. The properties are located adjacent to and across the street, respectively, from the Great Northern Casino and help to drive foot traffic to the casino. The locations are in advantageous proximity to the area's community college, Gateway Power Centre big box shopping outlet, and the Grande Prairie Regional Hospital. Each of the two properties serve the mid-scale market at different price points catering to a wide clientele of business and leisure travellers.

The Company's Rivers Casino & Entertainment Centre Casino in Fort McMurray operates without any gaming-related competition in the trading area. At present, gaming demand is well served by the Company's current capacity.

Information Security

Gamehost relies on information technology systems for the efficient management and operation of its business. Reliability and security of these systems is essential to effective uninterrupted operations and information privacy. The Company relies significantly on AGLC systems and security protocols related to AGLC owned and controlled electronic games. Additional Company owned and implemented technology systems are deployed and continually monitored. Although AGLC and Company information technology systems contain safeguards against unauthorized access, there is risk that safeguards could fail or be breached. Failure of, or malicious security breach to, any AGLC or Company systems could result in adverse consequences, including but not limited to: unavailability, disrupted functionality, loss, corruption, ransom, or unauthorized disclosure of sensitive Company, customer, vendor or employee information. The Company attempts to prevent any such failures or breaches through the implementation of effective internal controls, processes, procedures, and technology security measures. The Company contracts third party providers, skilled in the area of information systems to advise, implement, and manage network and information security, but there can be no assurance that these measures will be fully effective. There were no known or detected breaches during the Period. AGLC requires the Company to implement policies and procedures that effectively assess, monitor and test against cyber attacks. Accordingly, the Company has developed a rotating three year plan to mitigate cyber security risks and conducts ongoing training and awareness for all staff.

International Financial Reporting Standards (IFRS)

Standards, amendments and interpretations effective and applied

During the Year, the Company adopted the following polices and/or applied the following amended International Accounting Standards ("IAS") and IFRS issued by the IASB that are effective for annual reporting periods beginning on or after January 1, 2024.

- *IFRS 16 - Leases (Amendments to Lease Liability in a Sale-and-Leaseback). The amendments affect the way a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction and are to be applied retrospectively. Application of the amendments had no impact on the Company's financial statements.*
- *IAS 1 - Presentation of Financial Statements (Amendments to Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants). The amendments clarify that the classification of liabilities as current or non-current is based solely on a entity's right to defer settlement for at least 12 months at the reporting date. The right needs to exist at the reporting date and must have substance. The amendments are to be applied retrospectively. Application of the amendments had no impact on the Company's financial statements.*

- *IAS 7 and IFRS 7 - Statement of cash flows and Financial Instruments disclosure. The amendments require disclosure that enables users of financial statements to assess how supplier finance arrangements affect an entity's liabilities and cashflow and related liquidity risk. Application of the amendments had no impact on the Company's financial statements.*

Standards, amendments and interpretations not yet effective or applied

Standards and amendments to standards and interpretations that are not yet effective for the year ended December 31, 2024 have not been applied in preparing these consolidated financial statements but are described below. For those standards where earlier application is permitted, the Company expects to apply the changes at the effective date.

- *IAS 21 - The Effects of Changes in Foreign Exchange Rates. Amendments require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The amendment applies to annual reporting periods beginning on or after January 1, 2025. Early application of the amendment is permitted.*
- *IFRS 9 and IFRS 7 – Financial Instruments and Financial Instruments: Disclosures. Amendments require additional disclosure for equity instruments measured at fair value. The amendment applies to annual reporting periods beginning on or after January 1, 2026. Early application of the amendment is permitted.*
- *IFRS 18 – Presentation and Disclosure in the Financial Statements. The new standard for financial statement presentation and disclosure will require a redesign of both the income statement and cash flow statement for annual and interim periods, restatement of comparatives and re-evaluation of note disclosures. The new standard applies to annual reporting periods beginning on or after January 1, 2027. Early application of the standard is permitted.*

Management continues to assess the impact of the above future accounting changes on the Company's consolidated financial statements.

Additional information

All required public disclosures including material documents, press releases, annual information form, and consolidated financial statements of the Company can be found on SEDAR at www.sedar.com. Additional information about the Company can be found at www.gamehost.ca.