



20 April 2022

888 Holdings Plc
 ("888" or "the Group")

Q1 2022 Trading Update

Strong strategic progress setting the platform for future growth

888 (LSE: 888), one of the world's leading online betting and gaming companies, announces a trading update for the three months ended 31 March 2022 ("Q1 2022" or the "Period"). Comparative figures in this trading update are provided in US\$ on a year-on-year basis against the three months ended 31 March 2021 ("Q1 2021"), unless otherwise stated.

\$ millions ¹	Year over year			Sequential		
	Q1 2022	Q1 2021	YoY %	Q1 2022	Q4 2021	QoQ %
B2C Gaming	191	221	-14%	191	192	-1%
B2C Betting	24	42	-42%	24	20	+19%
Total B2C revenue	215	263	-18%	215	213	+1%
B2B revenue	9	10	-6%	9	9	-2%
Total revenue	224	273	-18%	224	222	+1%

Highlights

- Group revenue of \$224m (Q4 2021: \$222m; Q1 2021: \$273m). Revenue +1% compared to Q4 2021, driven by average monthly actives² growth of 4%, reflecting continued focus on product and content leadership, customer excellence, and the ongoing success of our world-class brands and marketing. Year on year decline -18% (-15% cc³), with average monthly actives lower by 8%, compared to a record result in Q1 2021 and reflecting the temporary exit from the Netherlands, and lower revenue per active driven by the heightened focus on safer gambling
- Key regulated markets delivered a strong performance, particularly the US, Romania and Portugal all of which grew year-over-year, together with strong sequential growth in Italy, offsetting a larger year-over-year decline in the UK, which was impacted by market-wide trends including the impact of increased player restrictions
- Launch of WSOP in Michigan, and licence awarded for 888 in Ontario
- Investment in 888AFRICA, giving the Group a strategic stake in a highly ambitious business with an experienced management team in one of the Group's long-term investment markets
- Further progress towards transformational acquisition of William Hill post Period end, with revised transaction terms and successful completion of an equity placing raising gross proceed of £163m
- Launch of new *Made to Play* master brand campaign in the UK during the Period, uniting all 888 brands under one proposition

Itai Pazner, CEO of 888, commented:

"The start of 2022 has been another busy period of progress for 888. We have launched in Michigan and Ontario, with Virginia planned to follow in May. Having revised the transaction terms for William Hill and completed an equity placing to part-fund the deal, we are on track to complete in June and continue to execute our plan to build a global online betting and gaming leader.

Alongside these important strategic milestones, Q1 2022 revenue was slightly ahead of Q4 2021 as we previously announced. I am pleased with the Group's progress, and we are looking forward to returning to year-over-year revenue growth in the second half of the year, as we benefit from further launches in additional US states, together with our expectation of relaunching in the Netherlands and ramping up our recent launch in Ontario."

Business review

B2C

Gaming continues to be predominantly driven by casino, where we continue to enhance the user experience through product and content leadership as well as AI-driven personalisation. We launched several new casino games during the Period, including in-house developed games, which continue to resonate well with customers and provide a differentiated experience. Alongside expanding the range of content, our customer excellence pillar saw strong progress with the rollout of our AI-powered chatbot facility to improve customer service.

We launched our *Made to Play* master brand campaign in the UK during the Period, which unites all 888 brands under one proposition and is designed to support our long-term strategic goals, increase advocacy, and ultimately contribute to lower customer acquisition costs.

Betting stakes declined by 28% against the prior year, largely as a result of the record performance in several key markets in the prior year, and impacted by the closure of the Netherlands. Betting revenue declined by 42%, driven by decline in stakes, together with customer friendly results and increased promotional investment in Q1 2022, particularly in the US, leading to lower win margins year-over-year. Betting revenue was up 19% relative to Q4 2021, a period which saw unusually low win margins.

We made excellent progress towards readying SI Sportsbook for launch in Virginia, which is expected in the coming weeks, alongside hiring a highly experienced new President of 888 US to drive our US ambitions forward.

B2B

Revenue from 888's B2B division decreased slightly on both a year-over-year and sequential basis, primarily driven by the bingo segment given the strong comparative and more challenging market conditions in the UK, with the US business growing both year-over-year and sequentially driven by the launch in Pennsylvania.

In March 2022, the Group launched the World Series of Poker ("WSOP") brand in Michigan under its partnership with Caesars Interactive Limited, bringing the Group's latest poker platform to another US state following the launch of Pennsylvania last year. Michigan has indicated its intention to join the shared liquidity compact and the Group is excited for the opportunity this would present.

Notes

¹ Totals may not sum due to rounding. Growth rates are calculated on unrounded numbers

² Actives represent players who wagered real money during the Period and have deposited real money on at least one occasion

³ Constant currency ("cc") growth is calculated by retranslating the non-dollar denominated component of revenues at prior year period exchange rates

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About 888 Holdings Plc:

888 Holdings plc (and together with its subsidiaries, "888" or the "Group") is one of the world's leading online betting and gaming companies. 888's mission is to lead the gambling world in creating the best betting and gaming experiences,

bringing unrivalled moments of excitement to people's day-to-day lives by developing state-of-the-art technology and products that provide fun, fair and safe online betting and gaming entertainment to customers around the world.

888 has been at the forefront of the online gaming industry since its foundation in 1997, leveraging its proprietary technology to create an innovative and world-class online betting and gaming experience. The Group is structured into two lines of business: B2C, under the 888 brands, and B2B, conducted through Dragonfish, which provides partners a leading platform through which to establish an online gaming presence and monetise their own brands in a safe and responsible manner.

In recent years, 888's continued focus on innovation has been recognised through industry awards. In 2021, the Group was named Casino Operator of the Year and its in-house sportsbook was recognised as the In-House Product of the Year at eGaming Review's (EGR) prestigious Operator of the Year Awards. In the same year, the Group also won the Poker Marketing Campaign at EGR's Marketing & Innovation Awards for its Made to Play campaign.

888's consumer facing websites offer more than just online betting and gaming. They are entertainment destinations: places where people can enjoy a truly interactive experience and be part of an online community that shares common interests. 888's strong and trusted brands are all accessible through www.888.com.

Find out more about 888 at <https://corporate.888.com/>