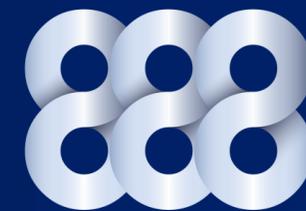


888

CAPITAL  
**MARKETS**

DAY

29 NOVEMBER 2022



HOLDINGS

# BUSINESS OVERVIEW

ITAI PAZNER, CEO

# AGENDA

## Purpose of today

- Provide an outline of the evolved strategic framework for the Group following the combination with William Hill
- Update on integration plans and progress
- Introduce a selection of key management

Topic	Presenter
<b>Business overview</b>	Itai Pazner (CEO)
<b>Financial framework</b>	Yariv Dafna (CFO)
<b>Strategy for success</b>	Vaughan Lewis (Chief Strategy Officer)
<b>Player safety</b>	Harinder Gill (Chief Risk Officer)
<b>UK</b>	Phil Walker (Managing Director, UK&I)
<b>International</b>	Nir Hakarmeli (Managing Director, International)
<b>Summary</b>	Itai Pazner (CEO)
<b>Q&amp;A</b>	
Drinks and canapes from 4.30pm	

# EXECUTIVE TEAM



Our management team has a track record of success



**Itai Pazner** ★  
Chief Executive Officer



**Yariv Dafna** ★  
CFO



**Vaughan Lewis** ★  
Chief Strategy Officer



**Harinder Gill** ★  
Chief Risk Officer



**Phil Walker** ★  
UK MD



**Nir Hakarmeli** ★  
International MD



**Mark Skinner**  
Chief People Officer



**Anna Barsby**  
Chief Product & Technology Officer



**Guy Cohen**  
COO



**Elena Chambers**  
Chief of Staff

★ Presenting today

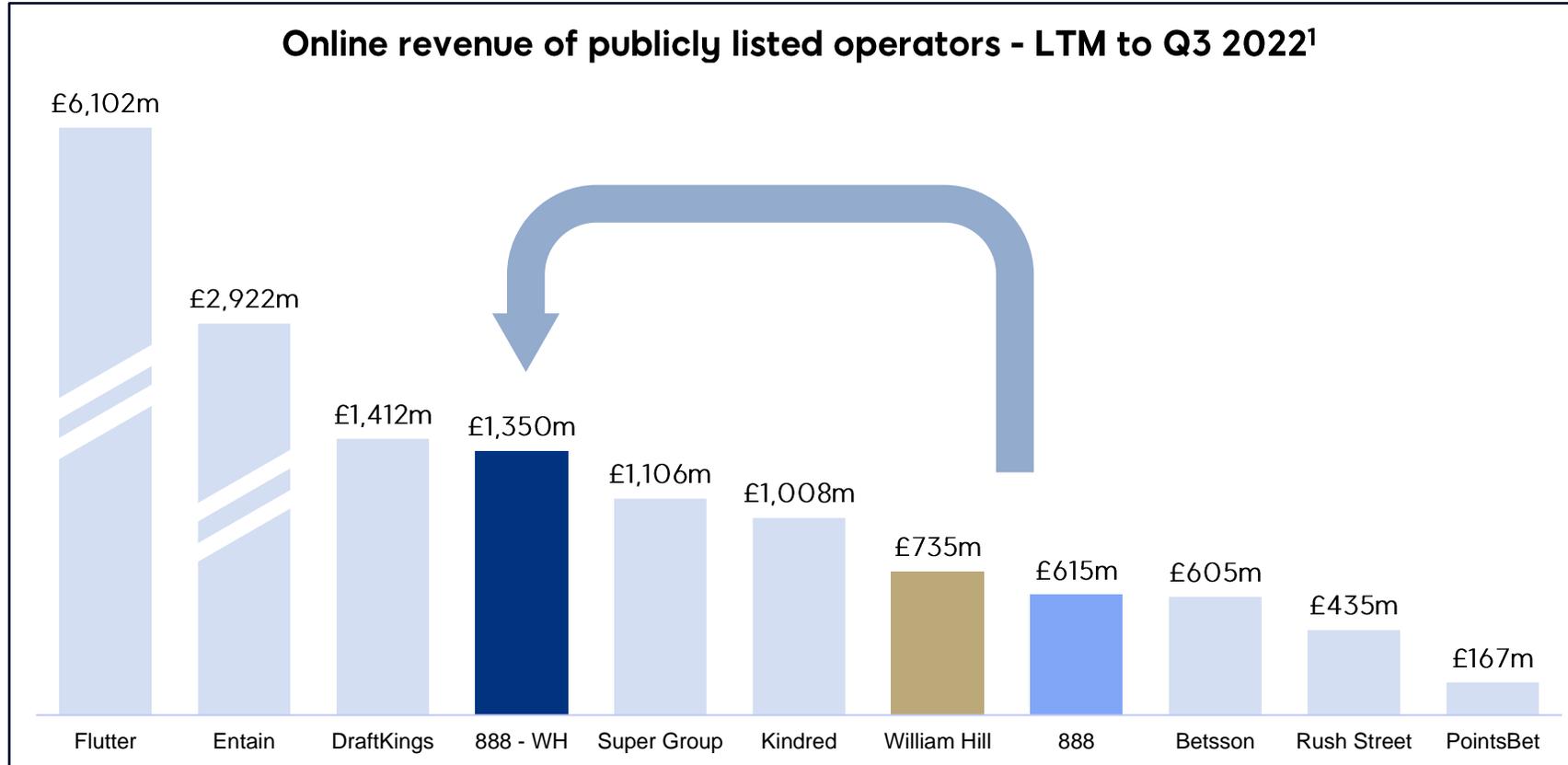
# STRATEGIC RATIONALE REINFORCED

Fundamental strengths of the acquisition provide robust foundations



# TRANSFORMATIVE M&A

We have created a diversified global leader with strong growth potential



## Superior scale

- Combined we are a top 4 publicly listed global online operator
- Top 3 position in the UK and Spain; top-5 across several other markets<sup>2</sup>
- Licenced in over 20 countries
- Ability to leverage combined skills of employees and technology

<sup>1</sup>As reported from public company documents. Entain is based on LTM to H1 2022 as it doesn't report quarterly revenue. Converted to GBP at the average rate for LTM Q3 2022, being USD 1.2807; EUR 1.1804; and AUD 1.7954.

<sup>2</sup>Regulus Partners

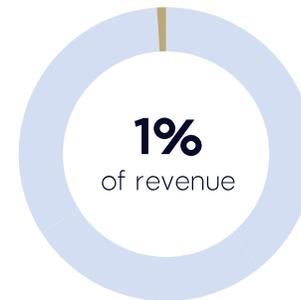
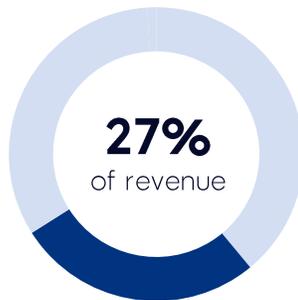
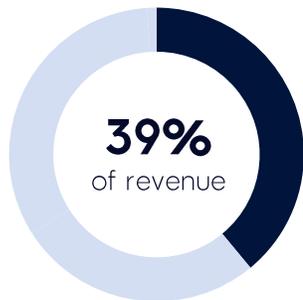
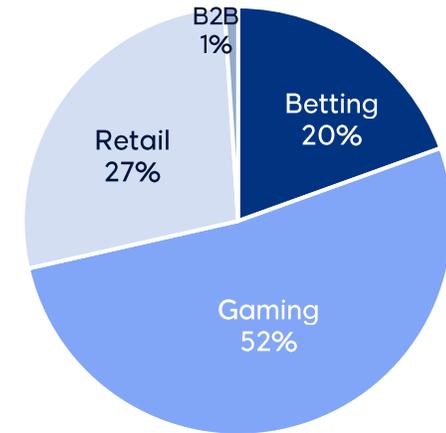
# BUSINESS OVERVIEW

Online-led diversified global leader with world class brands



UK&I		International	
Online	Retail	Worldwide	US
<ul style="list-style-type: none"> <li>• Revenue<sup>1</sup>: £720m</li> <li>• #3 operator</li> <li>• #3 sports brand; #2 &amp; 3 gaming brands</li> <li>• Leading brand awareness</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue<sup>1</sup>: £513m</li> <li>• #2 operator</li> <li>• 100% brand awareness</li> <li>• Leading locations</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue<sup>1</sup>: £611m</li> <li>• #3 in Spain</li> <li>• Top 5-10 in several other markets</li> <li>• 22 regulated markets</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue<sup>1</sup>: £19m</li> <li>• SI Sportsbook can leverage iconic Sports Illustrated brand</li> <li>• WSOP partnership</li> </ul>

Diversified revenue by product<sup>1</sup>



A range of leading brands



<sup>1</sup>Last twelve months to September 2022

# ADDRESSING OUR CHALLENGES

We understand where we are and are adapting the business accordingly

## Near term

### Key business challenge:

- Capital constraints through high leverage and cost of debt
- Multiple platforms
- Lower than average margins

### How we are addressing:

- Deleveraging is absolute priority
- Integration and market focus
- Cost efficiency

## Medium term

### Key business challenge:

- Focus and execution

### How we are addressing:

- Market focus
- Slimmed down and streamlined business
- Clear operating model and ownership

## Longer term

### Key business challenge:

- Regulation and need for scale
- Customer experience demands
- Changing distribution channels

### How we are addressing:

- Building one unified global scalable technology platform
- Combined teams and efficient business operations

**We are addressing all of these challenges head on through our focus on integration and delivery**

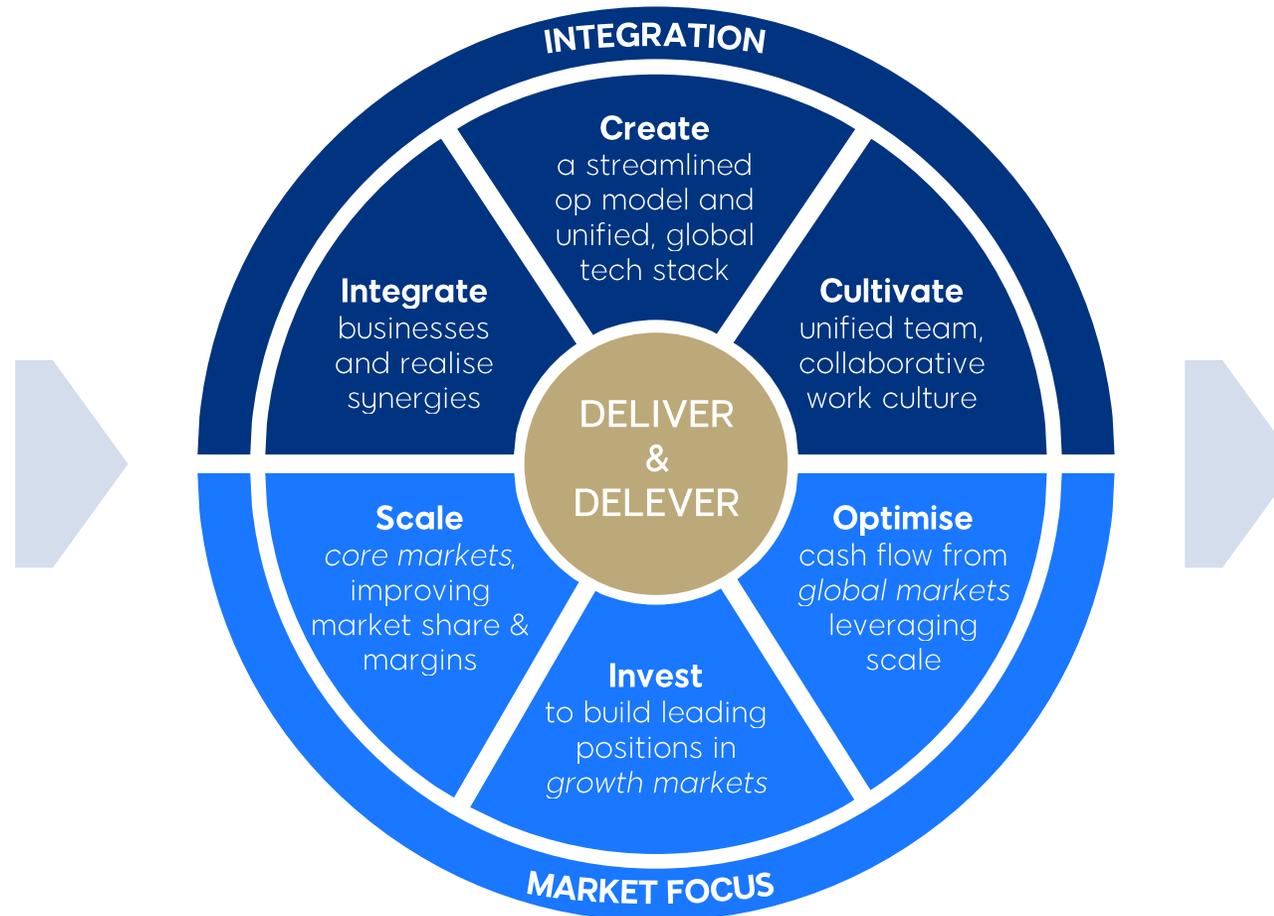
# EXECUTING ON OUR VISION

Creating the platform for the next decade of growth, delivering high return on equity

## To delivering on our **PLAN**

### From a developing **POSITION**

a range of world class brands across global markets, with top talent delivering leading products but served by different technology platforms, and constrained by high leverage and below average EBITDA margins



### In order to realise our **POTENTIAL**

a world-class customer-led organisation, with high growth potential enabled by proprietary technology, world-class brands and a strong growth culture

# PEOPLE AND CULTURE

We are building a powerful, agile, engaged, and unified team culture



Bigger, Stronger, Better Together

Note: As part of the webcast on 29 November 2022, this slide included a video highlighting some of the Group's people.

# UNIFIED PROPRIETARY TECHNOLOGY

## Early decision to enhance core 888 proprietary platform provides clarity on tech roadmap

Detailed analysis across six core product pillars and assessment of current readiness and investment needed against key success factors

Key pillar	Capability		Decision taken
	William Hill	888	
1 Account & wallet			Use 888 core
2 Back office			Use 888 core Identify feature enhancements
3 Promotions			Use 888 core
4 Gaming			Use 888 gaming platform
5 Sportsbook			Use 888sport platform Integrate William Hill GTP Integrate trading operations
6 Retail	William Hill retail platform selected by default		Integrate with 888 core Integrate with 888sport platform

### Early clarity enables quicker delivery of synergies and customer benefits

- Build on the experienced and proven 888 core platform as a base
- Leverage William Hill Global Trading Platform (GTP) to provide a step up in content depth, volume and quality on spots – integrate this into the 888sport platform
- Integrate proprietary retail technology into 888 platform
- Integrate teams to iteratively improve and modernise the entire platform and capabilities

**KEY**

Capability

Doesn't exist    Best-in-class

# LEVERAGING GLOBAL FUNCTIONS

Global capabilities deliver scale efficiencies and enable improved customer experience

**William Hill has transformed its customer service function since 2020, delivering clear improvements**

- Improved customer satisfaction by **32%**
- Reduced the number of issues by **34%**
- Improved speed to answer by **22%**
- Improved employee NPS by **19%**
- Reduced cost to serve by **47%**
- Verification <2hrs went from 16% to **86%**

**Achieved through a clear focus on efficiency, automation, and customer experience**

- In-house chatbot team developed and launched a best-in-class chatbot across key journeys
- Optimised contact channels and removed email and voice in favour of messaging
- Created Robotic Process Automation (RPA) team
- Consolidated operations to a global centre of excellence that supports certain critical local roles
- Transformed document verification with efficiency, automation and customer experience initiatives

**40**

Equivalent FTE volume handled by chatbot, with better CSAT than agents on some key journeys

**88K**

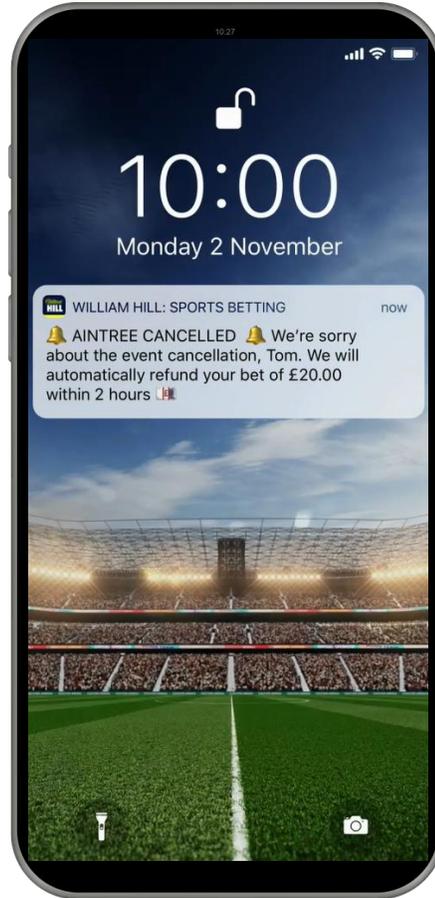
Equivalent manual hours now being handled by RPA bots with 60+ processes automated

**+60**

Employee NPS. Significantly higher than the benchmark score of 18 for 'customer services'

# CUSTOMER SERVICE

Effective automation delivering a high quality customer experience



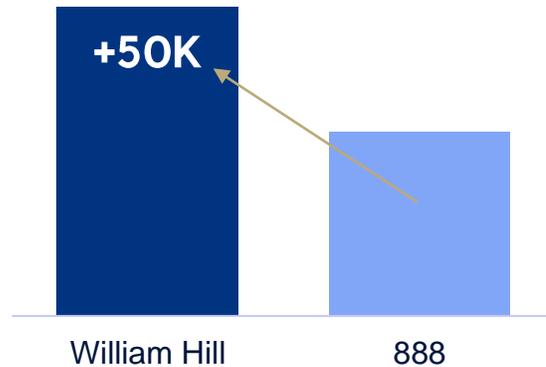
Note: As part of the webcast on 29 November 2022, this slide included a video highlighting the Group's chatbot and automated process functionality.

# REVENUE UPSIDE POTENTIAL

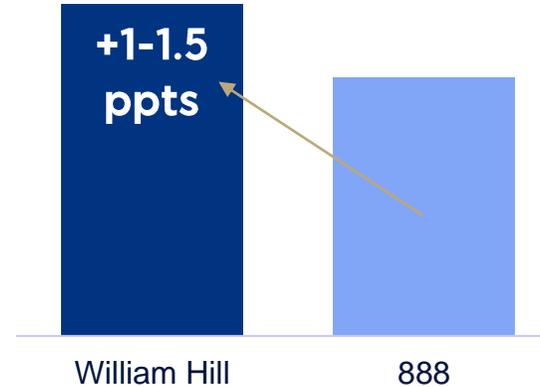
Several potential upsides from sharing capabilities across the business

## Betting

# of in-play football events



Horse racing win margin



### Other opportunities

- Football player stat markets
- Horse racing early prices
- Improved data quality, reducing bet delays and enhancing cash out
- Customer profiling best practice
- ...and more

## Gaming

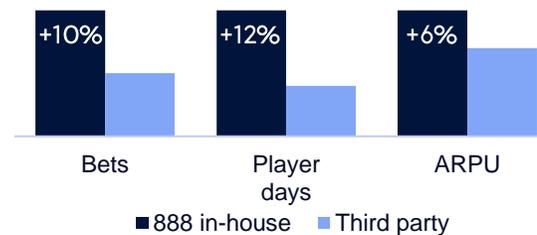


**~20%**

888 casino revenue (excl. live) generated from exclusive games



888 in-house models drive greater uplift across KPIs than leading third party models



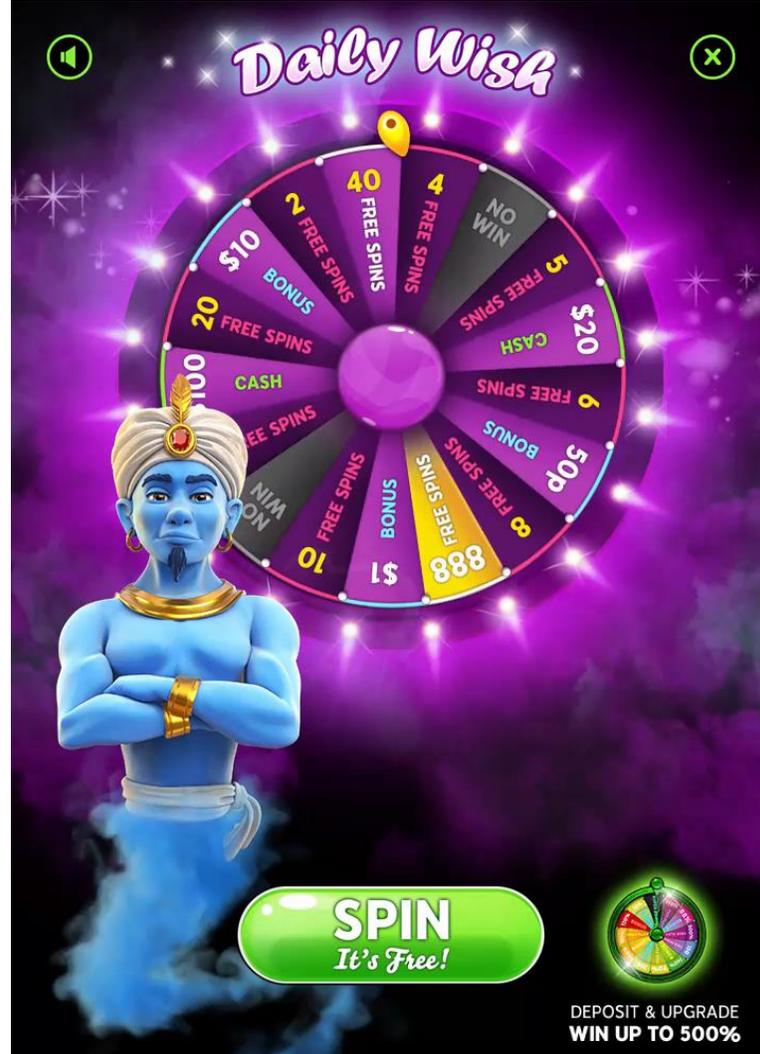
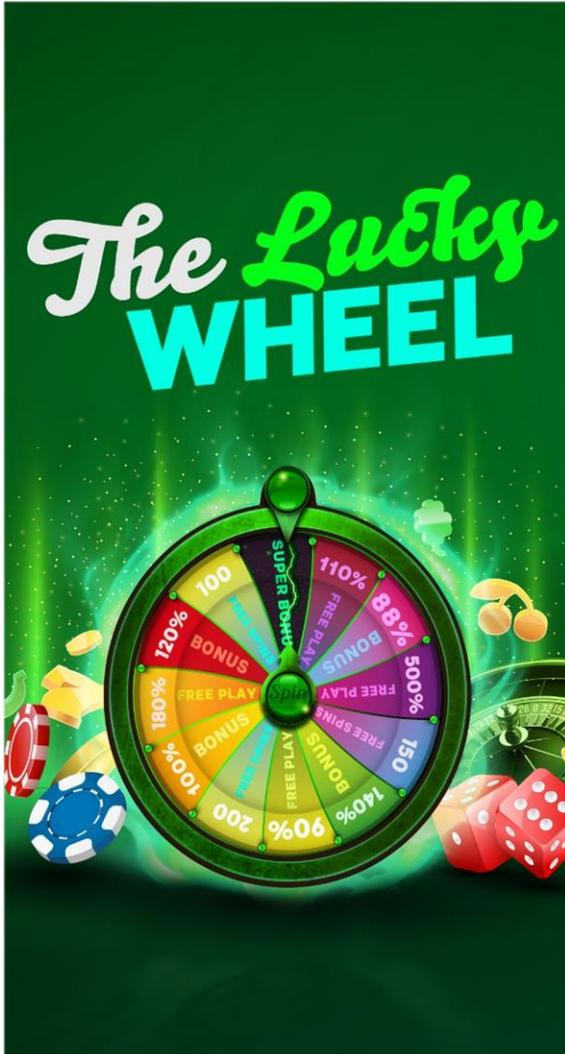
Leading AI models for personalised content curation and recommendations

### Other opportunities

- Poker product and liquidity
- Live casino expansion
- In-house daily jackpot network
- Cross-sell and CRM best practice
- ...and more

# CONTINUED PRODUCT DELIVERY

Alongside integration we continue to deliver exciting new product features



# KEY MESSAGES

Clear integration plans and strategic focus; deleveraging offers strong equity upside potential; building a platform for future growth



## POSITION

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- Strategic rationale reinforced
- Material external changes mean we are prioritising within the business to address the near term challenge of capital constraints



## PLAN

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- We are focused on deleveraging through delivering on our integration plans and market focus
- We have all the assets and capabilities to deliver on our vision



## POTENTIAL

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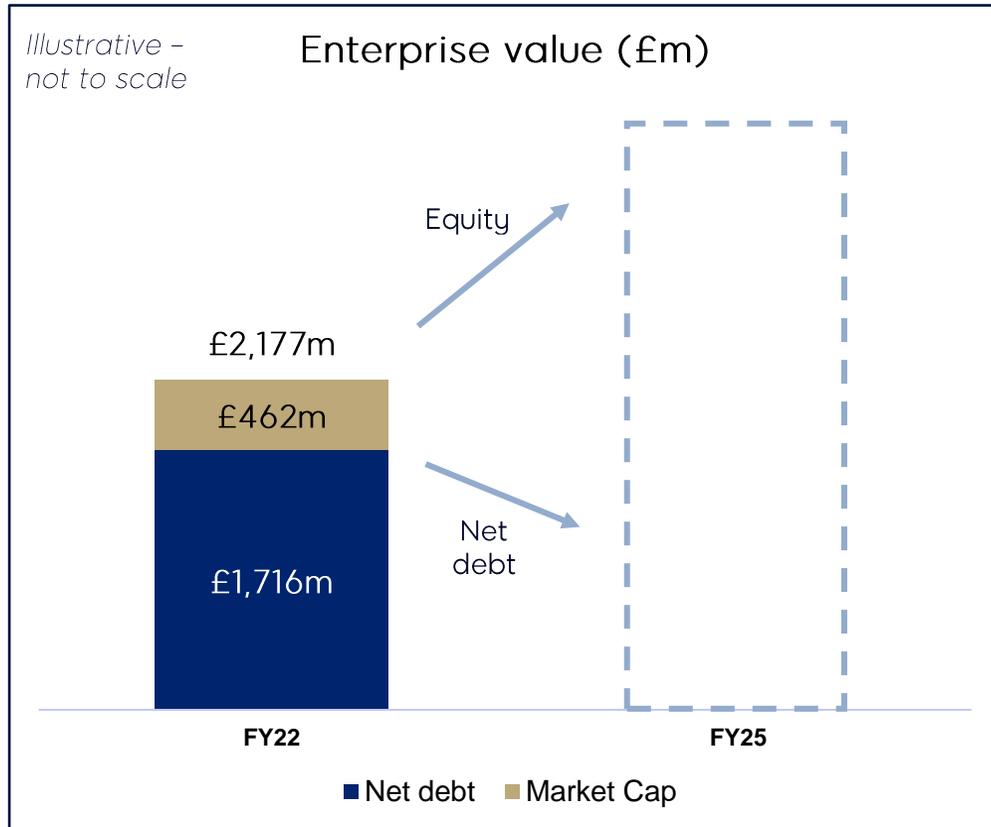
- Create a strong platform for the future
- Highly attractive upside potential for equity holders

# FINANCIAL FRAMEWORK

YARIV DAFNA, CFO

# SHAREHOLDER VALUE FRAMEWORK

Focus on improving profitability and deleveraging enables strong EPS growth

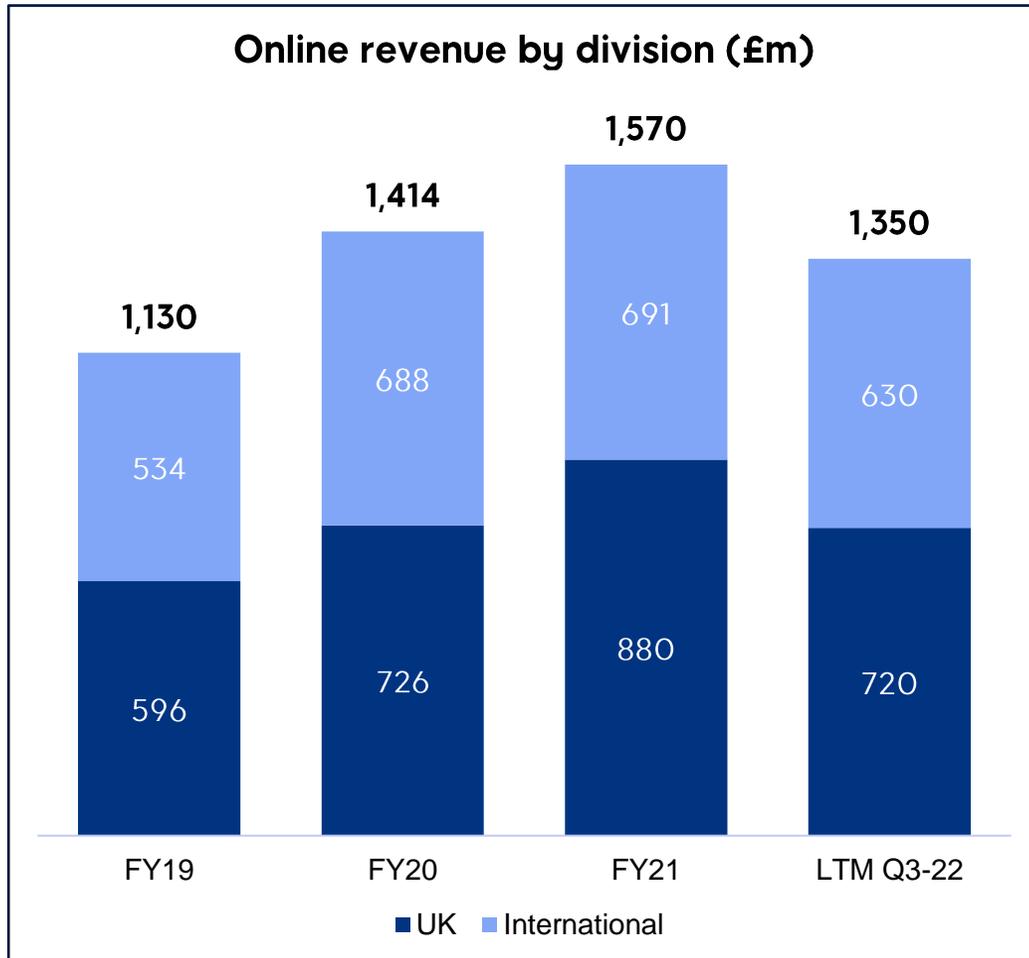


## Clear plan to target growth in equity value

- Integration and delivery of plan
- Improving profitability
- Focus on leading positions in attractive markets
- Debt reduction through focus on deleverage
- Structured and disciplined capital allocation

# FY22 PERFORMANCE

Temporary headwinds made progress in 2022 more challenging than planned



## Online performance affected by several headwinds

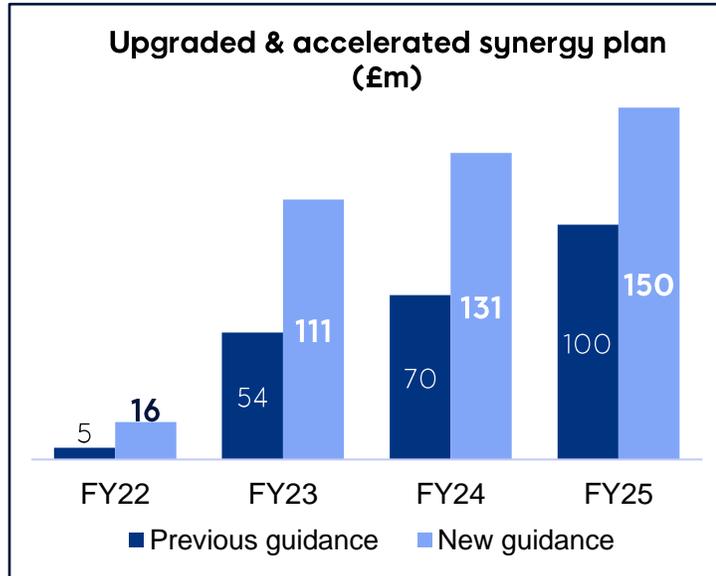
- Lapping very strong comparatives due to lockdowns
- UK safer gambling measures
- Netherlands closure
- German re-regulation

## Updated guidance for FY22

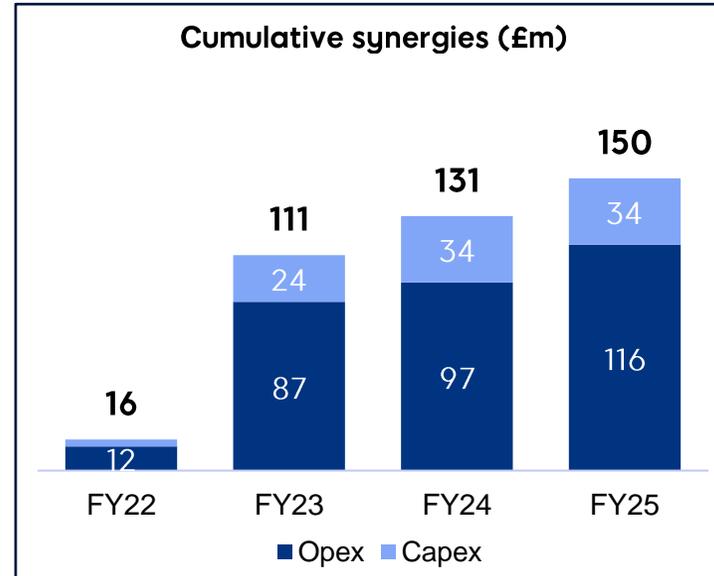
- Revenue of approximately £1.85 billion
- Adjusted EBITDA of £305-315m
- Implied Q4 Adjusted EBITDA margin of ~20%

# SYNERGIES

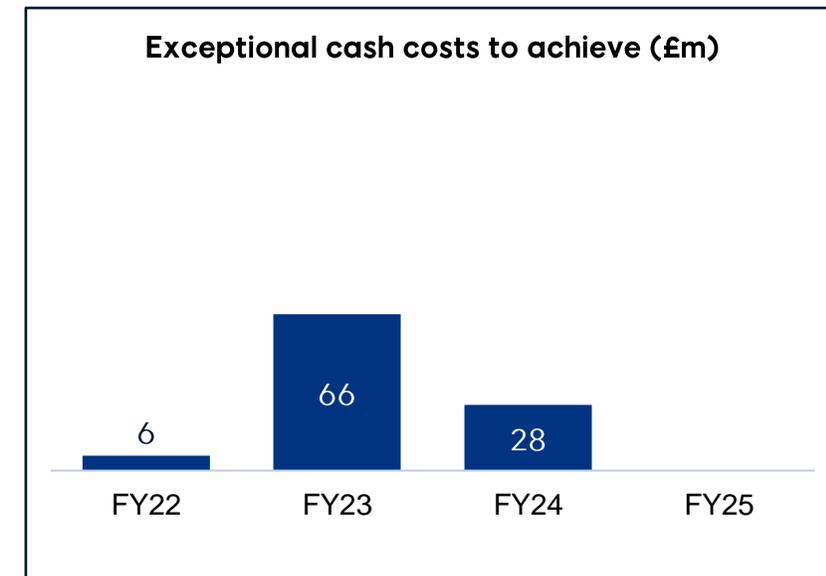
Upgraded synergy target to approximately £150m of synergies, and accelerated delivery



- ~£50m increase in overall synergy target to approximately £150m
- Increase primarily driven by technology (quicker migration) and marketing (further clarity on brands performance and plans)



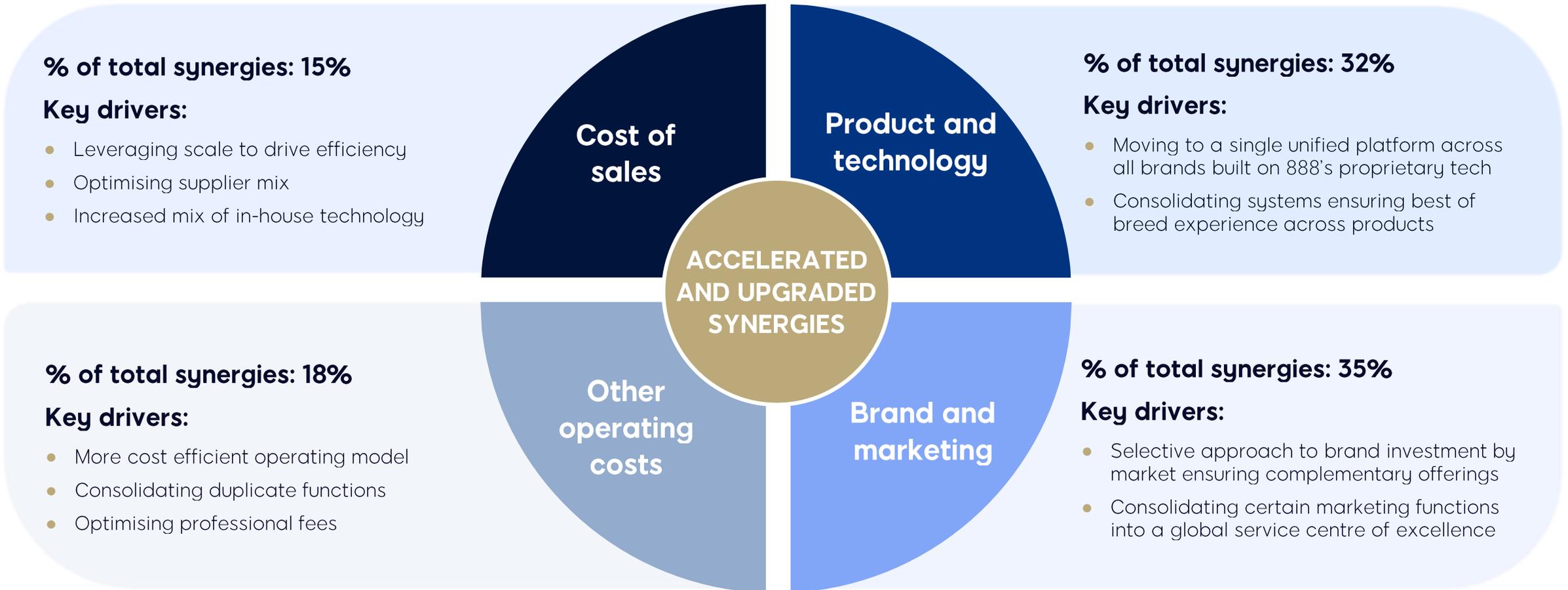
- Acceleration in delivery with £87m opex synergies expected in 2023
- Faster route to unified platform delivers greater capex synergies



- ~£100m costs to achieve, broadly in line with previous guidance, with the accelerated profile offsetting costs of additional synergies

# INCREASED SYNERGIES TARGET

We are focused on delivering value across the cost base from the combination



# FOCUS ON PROFITABILITY

Clear plan to realise the benefits of the combination and scale, driving profitability

## Main areas of focus

### Cost of sales

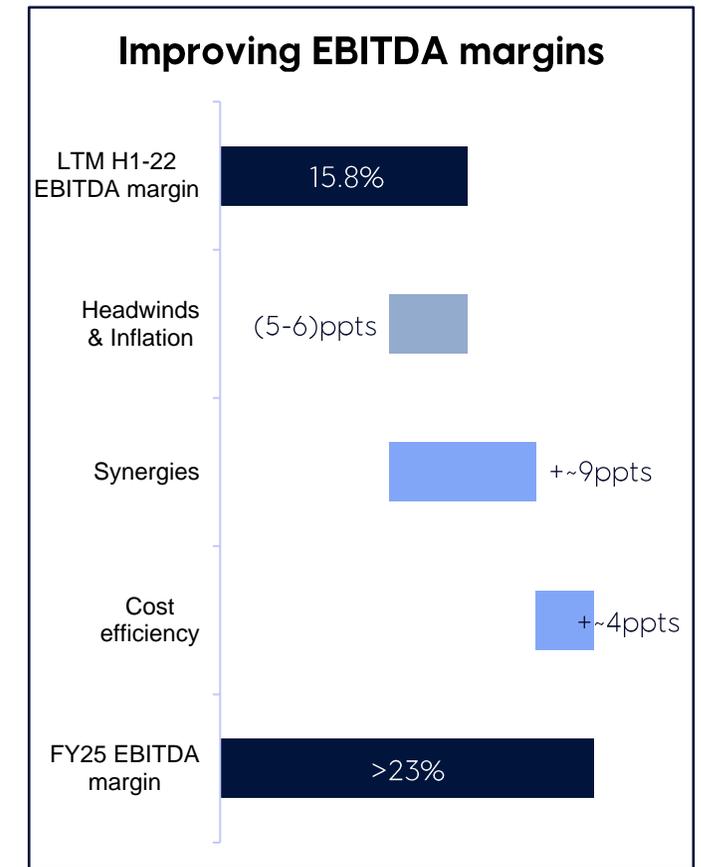
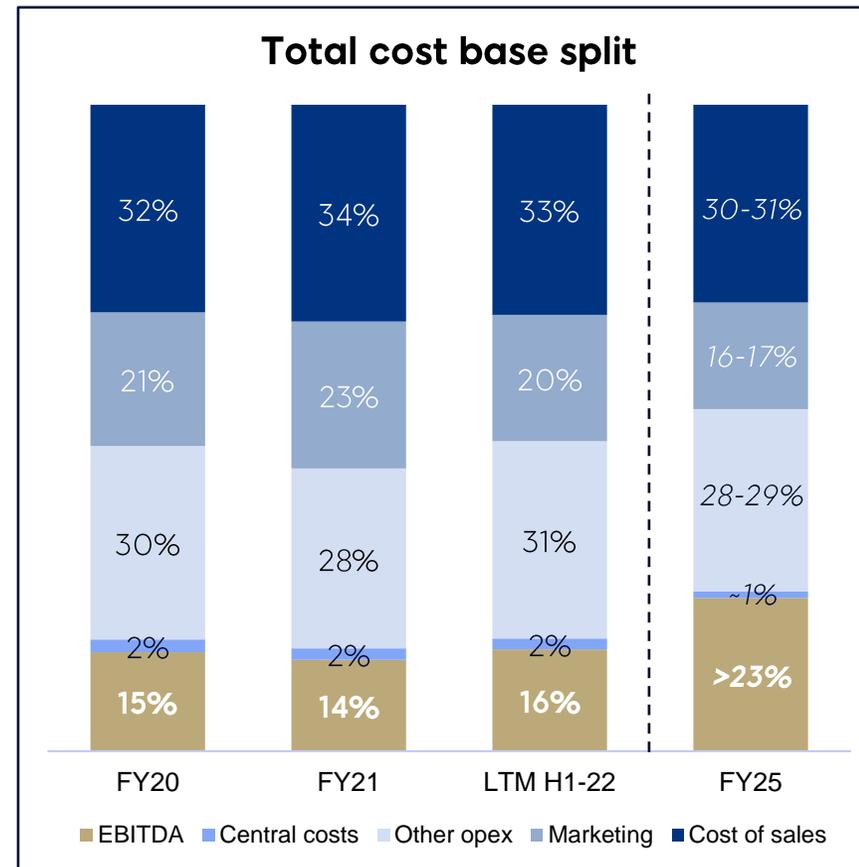
- Synergies from third party content providers and payment providers
- Optimising content mix including in-house content sharing

### Marketing

- Brand optimisation by market
- Ruthless focus on ROI

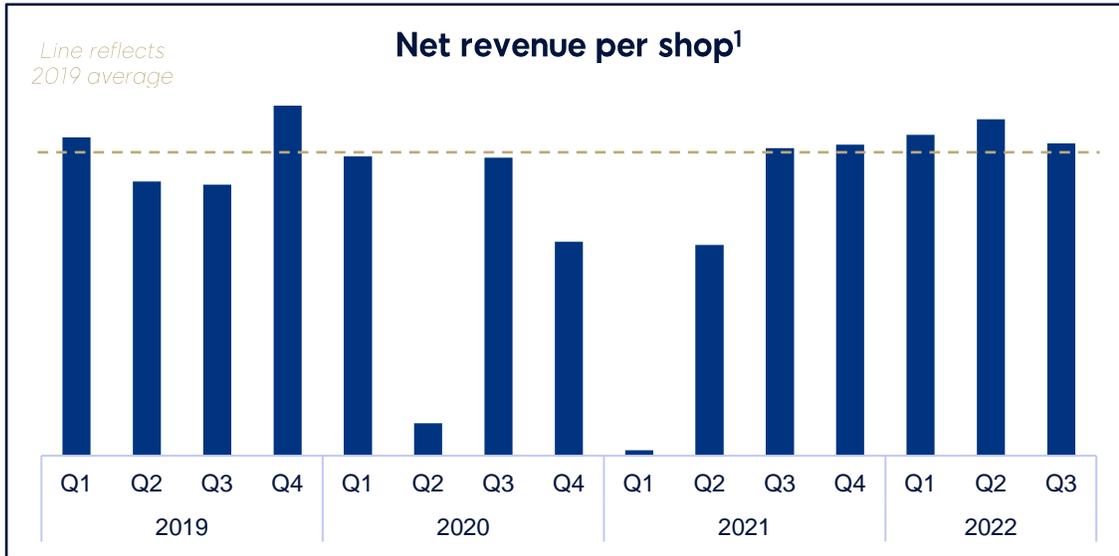
### Other operating costs

- Synergies from optimising global shared functions
- Cost conscious across all spend



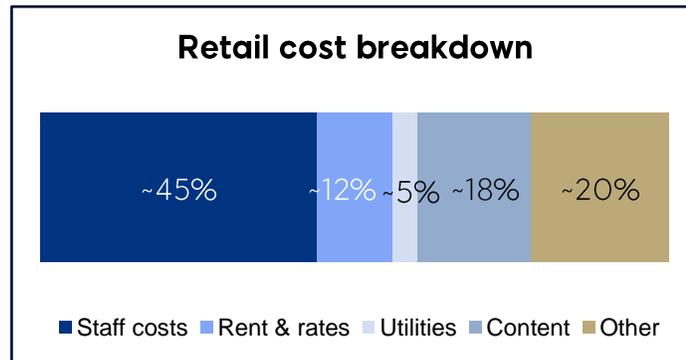
# RETAIL CASH GENERATION

Retail is complementary to UK Online and provides strong cash generation



## Expect continued strong cashflow conversion despite near-term inflationary headwinds

- YTD 2022 revenue per shop 7% higher than 2019
- £97m of EBITDA in LTM to H1 2022
- Staff cost and utilities inflation expected to add ~£15m to cost base in 2023
- ~£20m of capex in LTM to H1 2022 reflecting increased investment in modernising technology, with reduced capex expected in 2023
- ~£20m a year cash rent not in P&L due to IFRS16
- Average lease length (excluding freeholds and holdovers) of 2.6 years
- Flexible lease profile with 9% discount achieved on leases renegotiated so far this year



<sup>1</sup> Based on current trading estate of 1,386 shops

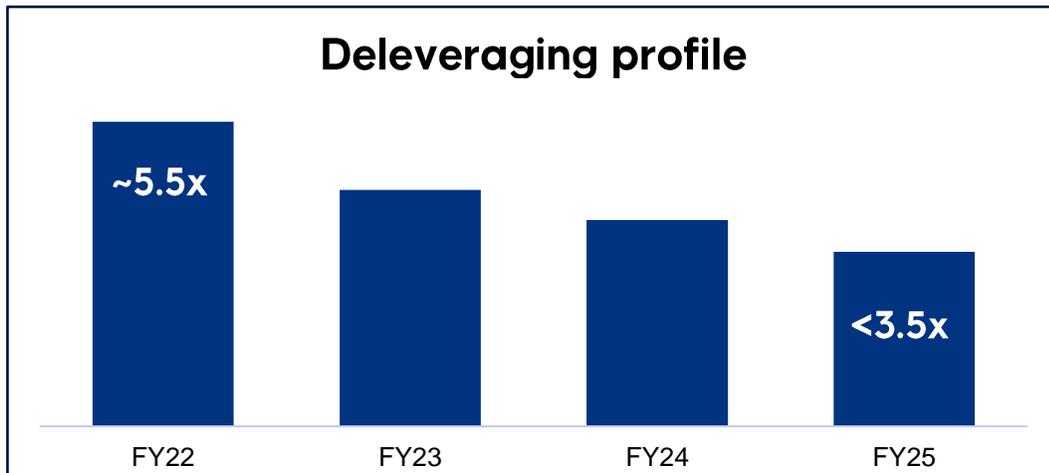
# DELEVERAGING PROFILE

Focus on deleveraging with sufficient flexibility in debt stack to further support plans

£m	Pro forma	Pro forma incl. synergies
Gross debt at par value	1,799	1,799
IFRS16 liabilities <sup>1</sup>	102	102
Cash (excl. customer balances) <sup>1</sup>	(186)	(186)
<b>Net Debt</b>	<b>1,716</b>	<b>1,716</b>
Pro forma Adjusted EBITDA <sup>2</sup>	310	426
<b>Leverage</b>	<b>5.5x</b>	<b>4.0x</b>

## Clear focus on deleveraging

- Initial deleveraging through synergy delivery and improved EBITDA margins
- Excess cash generation in medium term can be used to accelerate deleveraging
- Interest rate forward curve expectations softened slightly since previous guidance, now expect approximately £165m of cash interest in FY23
- Every 100bps move in interest rates is worth approximately £11-12m of cash interest
- Expect to be below 3.5x leverage by FY25
- More efficient capex profile following synergy delivery should result in ~70% Adjusted EBITDA to operating free cash flow conversion



<sup>1</sup> As at end of September 2022

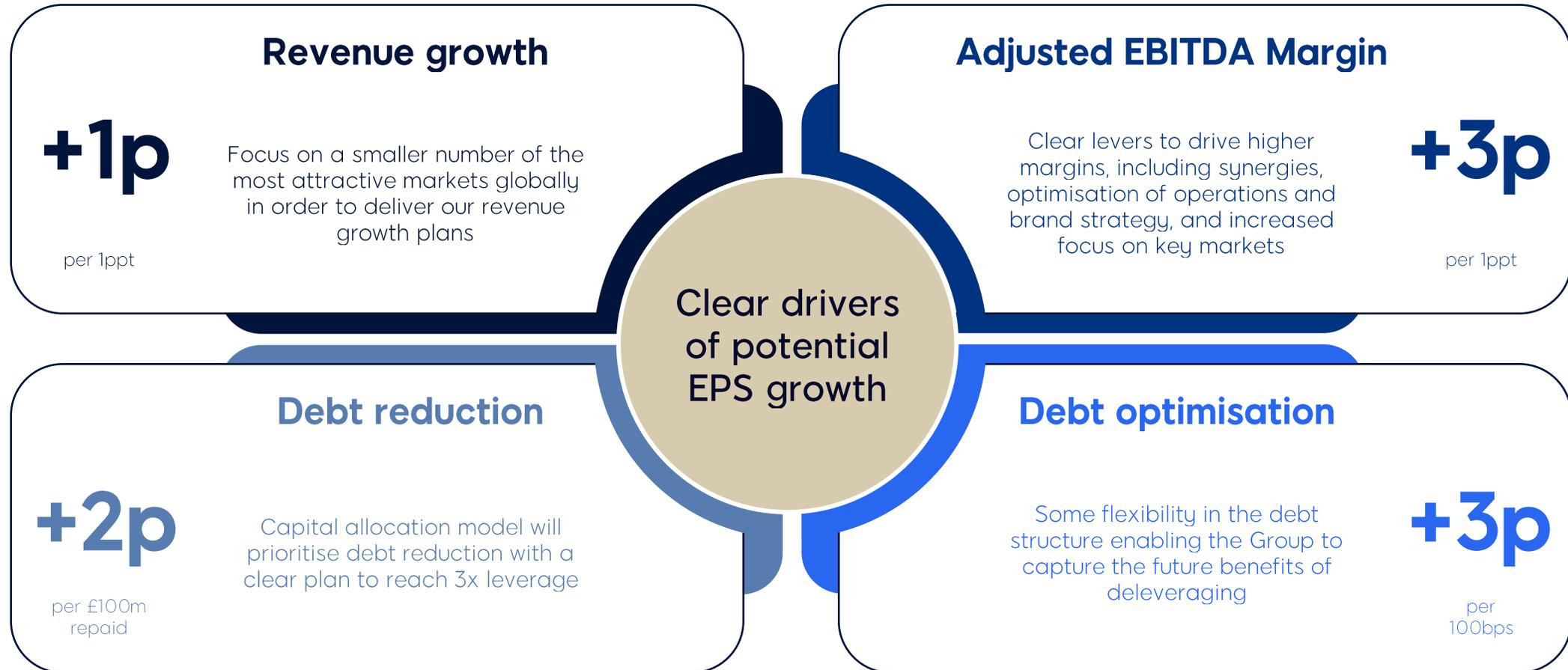
<sup>2</sup> Pro forma Adjusted EBITDA of £310m reflects the mid-point of FY22 guidance. Including synergies reflects the addition of £116m of P&L synergies expected to be realised by FY25

# EPS GROWTH FRAMEWORK



HOLDINGS

Improving profitability and deleveraging drive strong potential EPS growth



# FY2025 FINANCIAL TARGETS



Delivering strong shareholder returns while building the platform for future growth

<b>Revenue</b>	<b>&gt;£2bn</b>	Refined strategic focus on a smaller number of key markets, with clear targets to drive greater market share and build sustainable long-term market leadership positions
<b>Adjusted EBITDA Margin</b>	<b>&gt;23%</b>	Focus on building scalability into the enlarged Group's operating model, using the benefits of unified proprietary technology and operations to drive higher profit margins
<b>Leverage</b>	<b>&lt;3.5x</b>	Extremely disciplined approach to capital allocation, with a clear focus on deleveraging
<b>Adjusted EPS</b>	<b>&gt;35p</b>	Strong focus on core equity growth drivers to deliver the benefits of the enlarged Group

# KEY MESSAGES

Focus on improving profitability and deleveraging enables strong EPS growth potential



## POSITION

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- Fragmented business with lower EBITDA margin than peers
- Leverage significantly above mid-term target of 3x



## PLAN

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- Realise significant synergies alongside cost efficiency to drive profitability
- Disciplined capital allocation and absolute focus on deleveraging



## POTENTIAL

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- Strong EPS growth framework through margin improvement and deleveraging, potentially enabling future refinancing to capture benefits



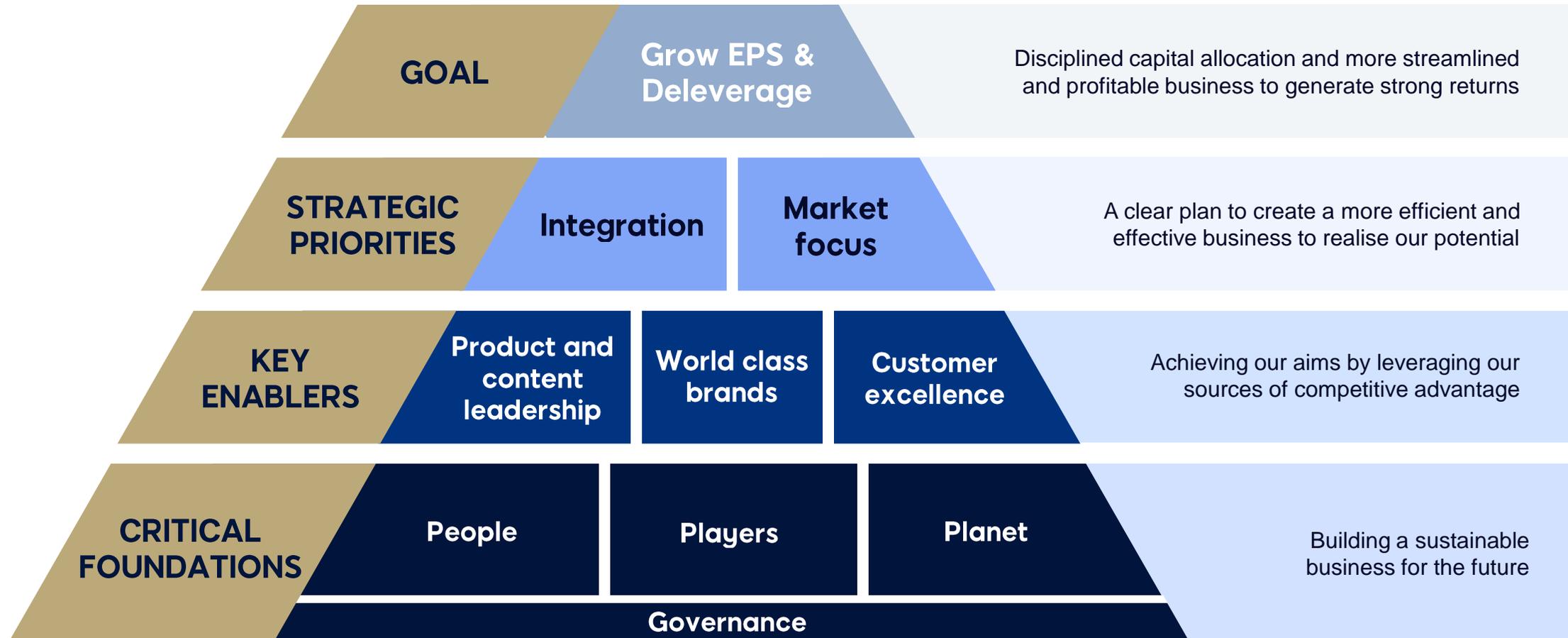
HOLDINGS

# STRATEGY FOR SUCCESS

VAUGHAN LEWIS, CHIEF STRATEGY OFFICER

# STRATEGIC FRAMEWORK

Clear strategic focus areas as we build the platform for future success



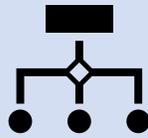
# INDUSTRY TRENDS

Market dynamics and our scale mean we are well positioned to take advantage of the longer term growth potential



## Regulatory change

More countries regulating and trends towards tighter regulatory restrictions in large European markets



## M&A

Significant industry consolidation in recent years as operators seek scale benefits



## Channel shift / maturity

Online penetration maturing in some markets but growing rapidly in others



## ESG

Customer interaction and wider stakeholder expectations evolving rapidly

# MARKET FOCUS

Clear focus on fewer markets to generate superior returns on investment



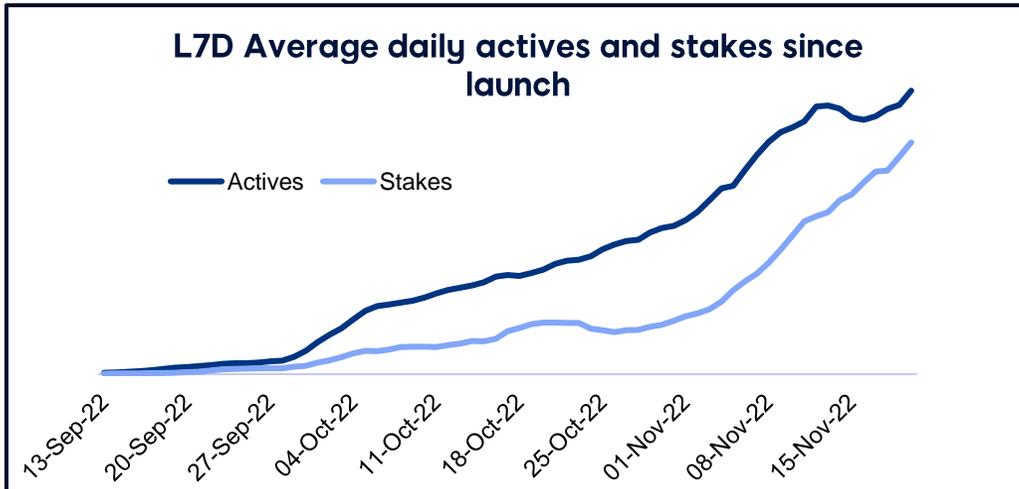
	CORE	GROWTH	OPTIMISE	PIPELINE
		 ON		
% of FY21 online revenue	~70%	~10%	~20%	N/A
Total market size (2022) <sup>1</sup>	£10.4bn	£9.2bn	£59.8bn	
Market growth CAGR (22-26) <sup>1</sup>	3.5%	11.5%	13.7%	
Target market share	10-15%+	5-10%+	<5%	N/A
Growth focus	★★★	★★★	★★★	★★★
Profit focus	★★★	★★★	★★★	★★★

<sup>1</sup> H2 Gambling Capital (GGR)

# 888AFRICA

## Delivering a lower capital intensive route to potentially large value creation

<p>888AFRICA joint venture with a team of industry veterans</p>	<p>Live in four regulated African markets – Tanzania, Zambia, Mozambique, and Kenya</p>	<p>Estimated TAM of &gt;£1bn<sup>1</sup> just from these four markets</p>
<p>888 owns just under 20%; option to eventually own 100%</p>	<p>Localised product and marketing driving strong early performance</p>	<p>Four current markets set to grow ~20% CAGR through to 2026<sup>1</sup></p>




**888 bet | MADE TO WIN BIGGER**

**RISK-FREE BET**

**BET ON TONIGHT'S FOOTBALL**

**GET A FREE BET FOR TOMORROW\***

**BET NOW**

\*NEW CUSTOMERS ONLY



**DABO DABO**

**Tsh 100,000,000 BABATI NASIBU**

**KUSANYA TIKETI YA BAHATI NASIBU UJISHINDIE**

**TSH 100,000,000 KILA UNAPOBASHIRI!**

Zaidi ya hayo, zawadi nyingi nzuri za kushinda kila wiki!

**888 bet | MADE TO WIN BIGGER**

<sup>1</sup> Regulus Partners

# SI SPORTSBOOK

## Adapting the US plan to reduce near-term losses while maintaining future optionality

### From betting 1.0: Untargeted mass market sports approach

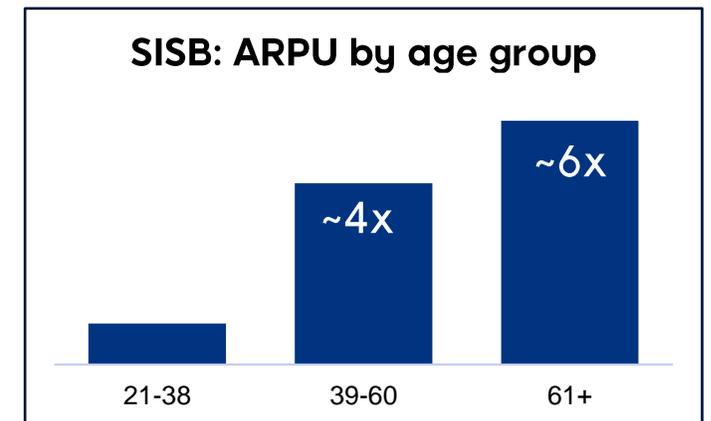
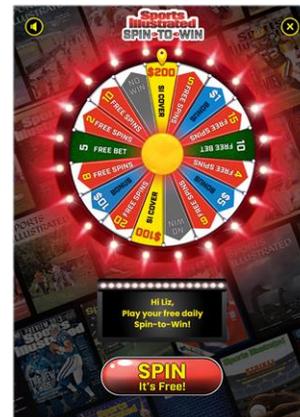
- Wide range of states
- Sportsbook first
- Mass market
- Wide ranging marketing

### To betting 2.0: Going deeper and leveraging our key assets

- Focus on states with iGaming
- iGaming alongside sports
- 'Unsexy sweet spot'
- Targeted promotions

### Why: a more focused business, generating higher returns

- Local scale in target states
- iGaming is 3x bigger than sports on a per state basis<sup>1</sup>
- Higher value more loyal players
- Integrated SI content



<sup>1</sup> Based on Eilers and Krejcik market size for YTD to Sep-22 divided by the number of live states for sports and gaming

# KEY MESSAGES

Clear focus on attractive key markets, while building a scalable platform for the future



## POSITION

---

- Leading positions in attractive markets
- Competing brands in certain cases and near-term capital constraints



## PLAN

---

- Clear market priorities, with the short term focus on building leading positions in fewer markets by leveraging our combined competitive advantages



## POTENTIAL

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- The platform we are building means the future can be supplemented by local hero M&A or organic new market entry

# PLAYER SAFETY

HARINDER GILL, CHIEF RISK OFFICER

# CRITICAL FOUNDATIONS – PLAYER SAFETY

Player safety is at the heart of what do, and an area of focus for continual improvement



# REGULATION

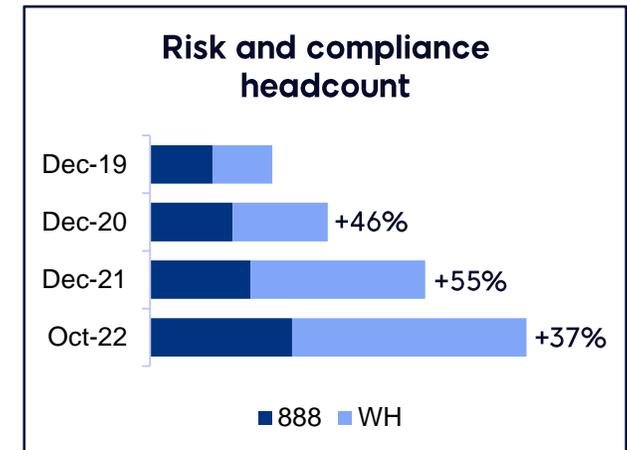
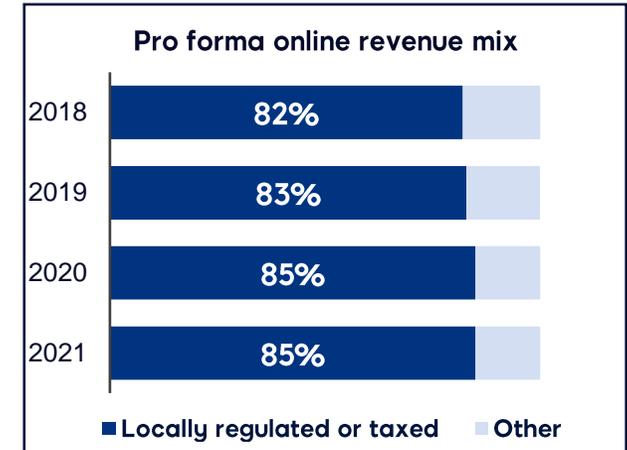
Our markets are increasingly regulated with rising expectations from all stakeholders

## Significant expertise operating across numerous regulated markets



**85%**  
Pro forma H1-22 revenue from regulated markets

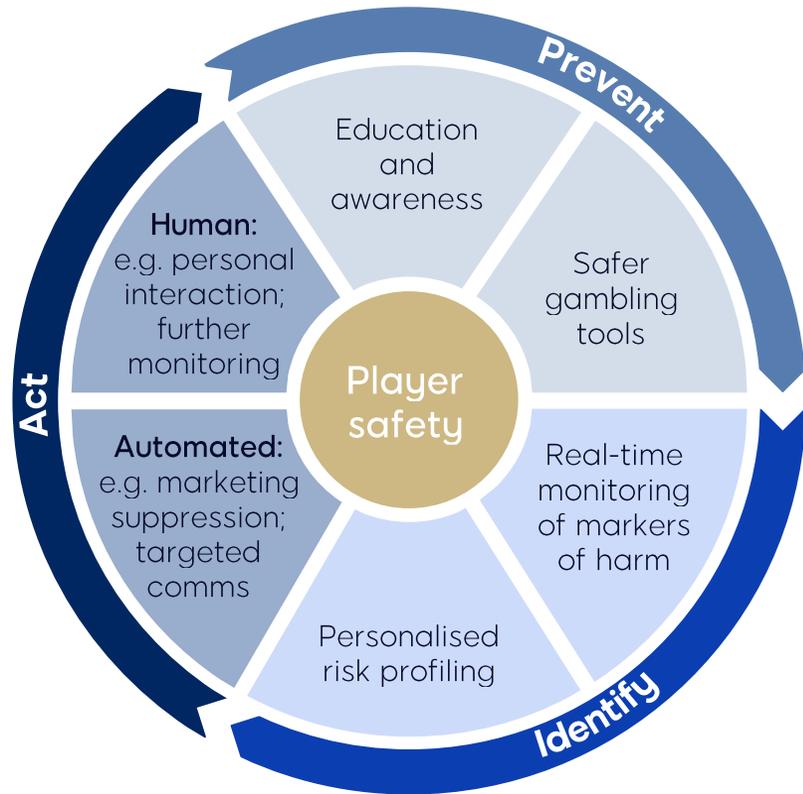
## Increasingly complex regulatory environment



# SAFER GAMBLING

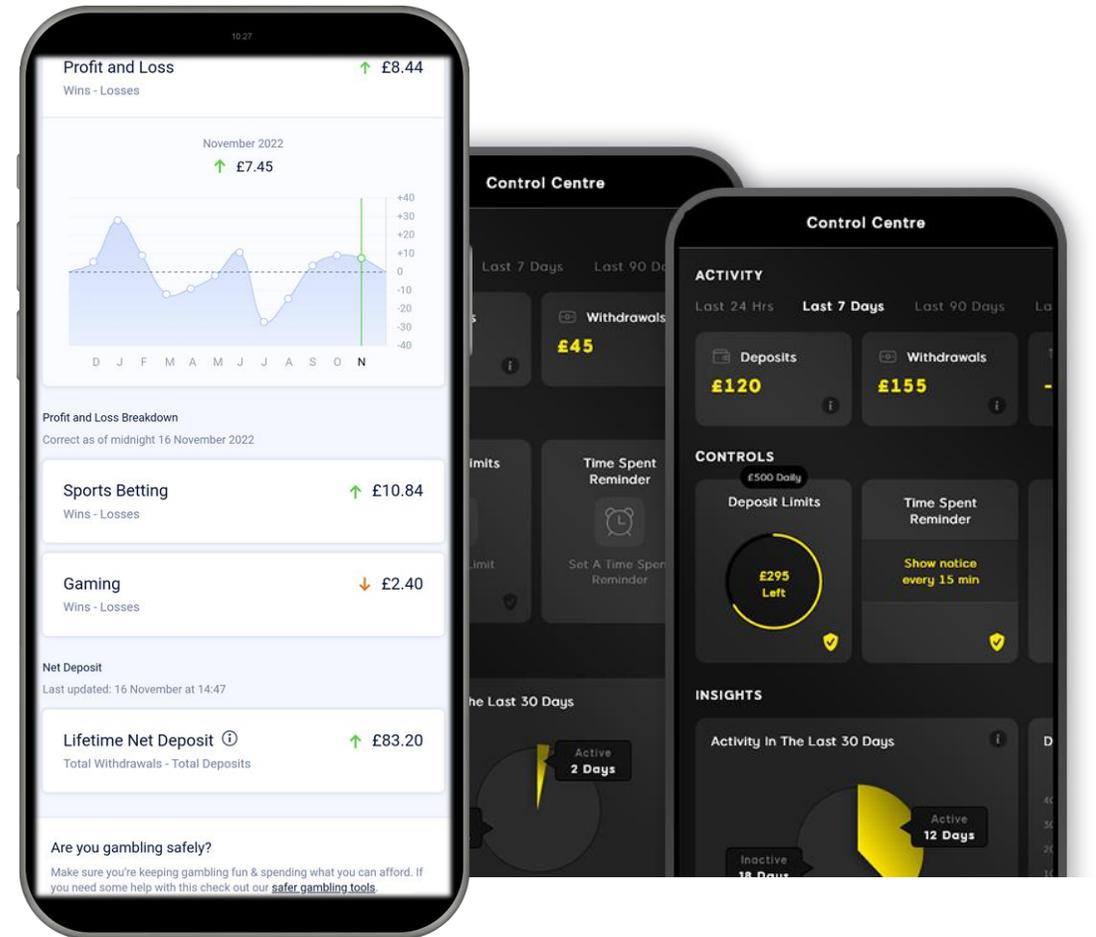
## Utilising data and technology to enhance player protection

### Using data and insights to drive continuous improvement



*The impact of every interaction on the risk profile is evaluated to drive continuous improvement and player sustainability*

### Embedding player safety in the customer journey



# KEY MESSAGES

Clear focus on attractive key markets, while building a scalable platform for the future



## POSITION

---

- Significantly improved policies and processes in recent years
- Separate platforms and slightly different approaches to safer gambling



## PLAN

---

- Embed safer gambling in product and customer experience
- Use data and technology to enhance player safety with a seamless experience



## POTENTIAL

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- A long-term trusted relationship with our players who know they can enjoy their betting and gaming while having appropriate protections in place

# UK&I

PHIL WALKER, MANAGING DIRECTOR UK&I

# UK MARKET

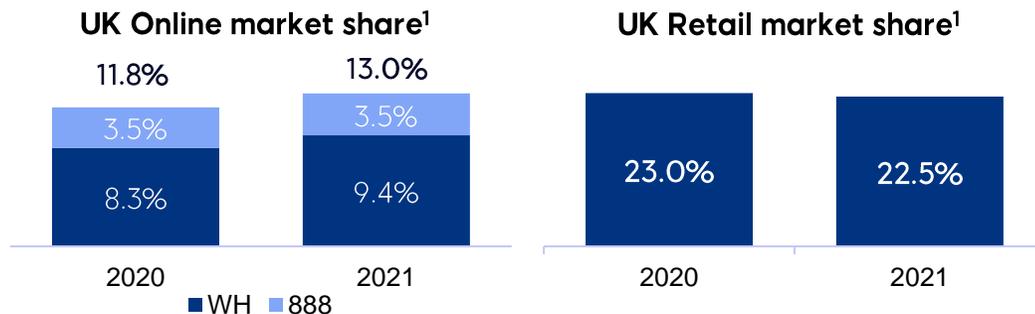


Top 3 position with leading brands, strong retail business and longer term growth potential

## The UK is one of the largest regulated markets in the world



## We have leading positions both online and in retail



## Combination improves ability to take share

- Online: Top 3 operator in the UK with a top 3 sports betting brand and two of the top 3 gaming brands by revenue
- Significant opportunity to capture increased share of wallet from customers:
  - Leveraging combined expertise to improve the sports betting and gaming experiences
  - Utilising distinctive brands to target specific segments
  - Market consolidation from regulatory change

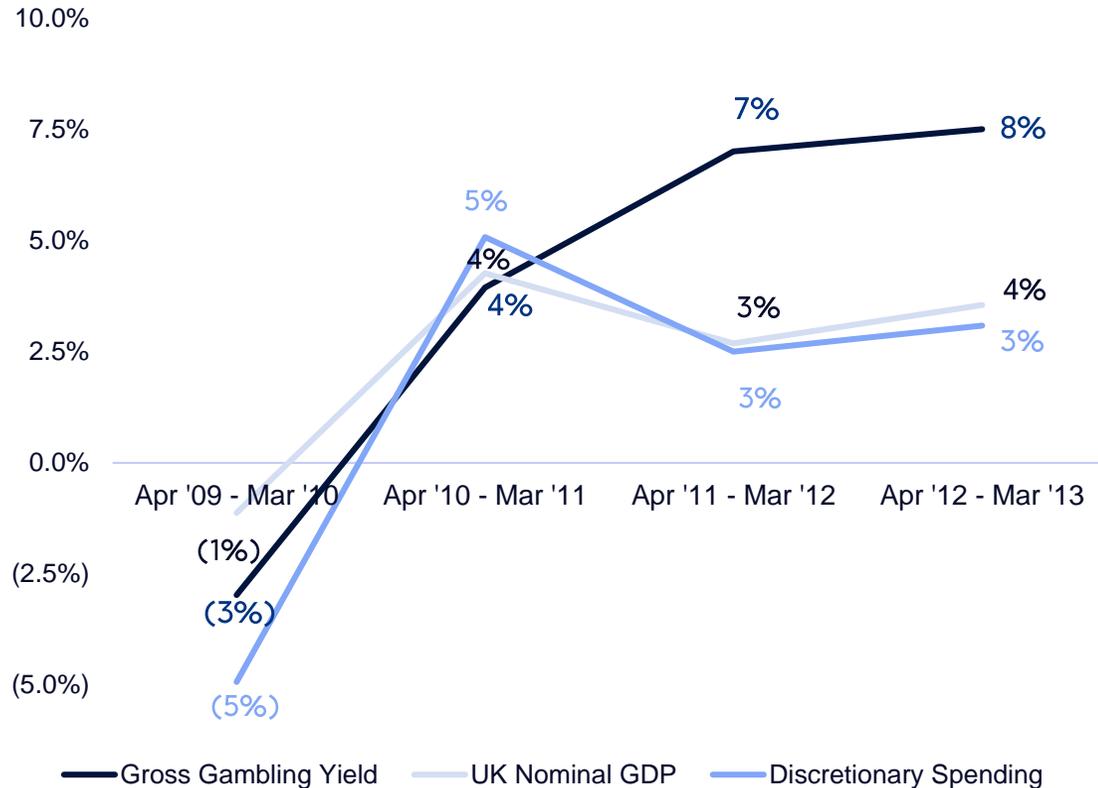
<sup>1</sup> Regulus Partners

# UK MACRO ENVIRONMENT



Well placed to cement leading position as the market undergoes change

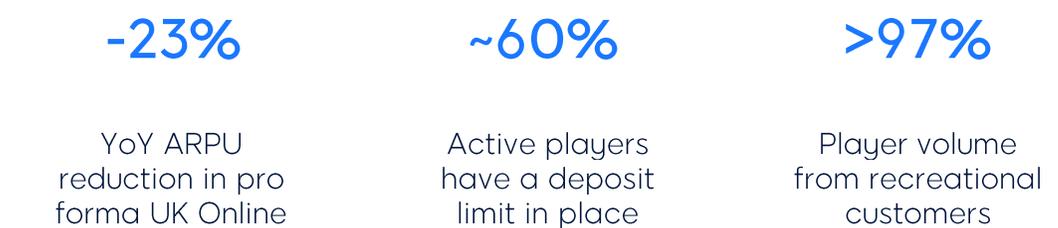
During the last major recession UK gambling spend declined less than total discretionary spend and rebounded strongly<sup>1</sup>



Our online business mix has become more recreational in recent years, putting us in a stronger position to mitigate risks



Affordable average spending patterns highlight low cost entertainment value of our products<sup>2</sup>



Significant investment in player safety across all brands in 2021-2022<sup>2</sup>

<sup>1</sup> UKGC statistics. ONS. Note discretionary spending Discretionary spending includes alcohol, tobacco; recreation and culture; restaurants and hotels; and miscellaneous spending  
<sup>2</sup> All KPIs reflect YTD 2022 position for total pro forma UK Online

# PRODUCT AND CONTENT LEADERSHIP – ONLINE

Proprietary technology enables best in class customer experiences



# WORLD CLASS BRANDS – ONLINE

Suite of brands to serve different customer needs, with market leading sports and casino

Portfolio of distinctive brands with market leading awareness across sports and gaming

Brand awareness

98%



Sports Betting  
Slots  
Table games  
Live casino

76%



Slots  
Table games  
Live casino

86%



Slots  
Live casino  
Table games  
Sports Betting

86%



Poker  
Slots  
Table games

80%



Sports Betting  
Slots  
Table games  
Live casino

Annual actives

2.1m

0.2m

0.6m

0.1m

0.3m

Diverse customer base across age / gender / lifestyle / product preferences

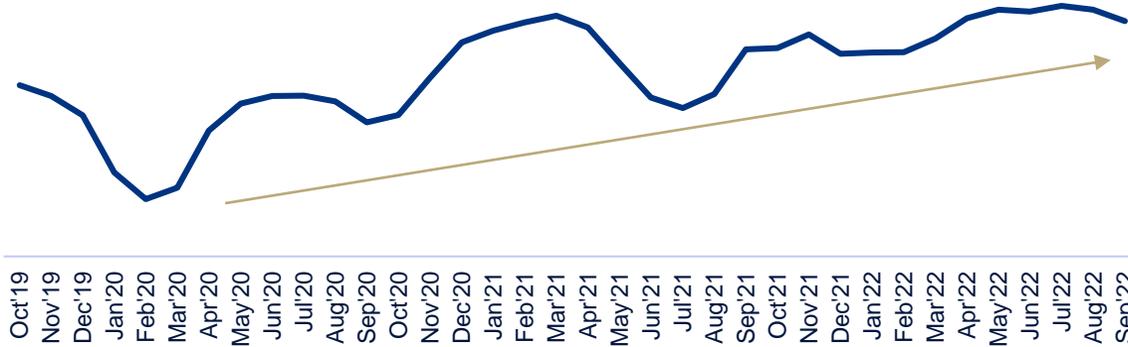
# CUSTOMER EXCELLENCE



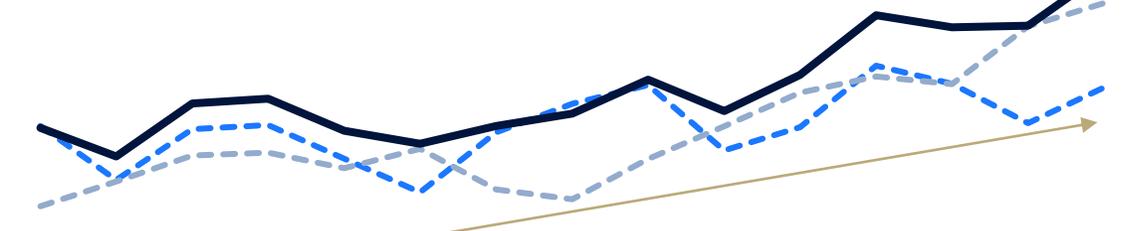
## Our focus on the customer experience drives player loyalty

Focus on enhancing customer journeys through product and service quality has driven improved customer engagement

Monthly NPS score for William Hill (rolling 3m average)



William Hill UK Online average player days per month



Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
2019	2019	2019	2019	2020	2020	2020	2020	2021	2021	2021	2021	2022	2022	2022

--- Sportsbook    --- Gaming    — Total

Applying William Hill best practice to 888 brands offers upside potential

- Relentless focus on customer journey improvements and platforms since 2020 has driven improved customer engagement, supporting market share gains for William Hill through increased player loyalty
- Monthly NPS tracking with key driver analysis for all brands enables quick decision making
- Customer Experience (CX) squads empowered to make continual changes to improve customer journeys
- Opportunity to further iterate and improve experience across all brands through best practice sharing

# PRODUCT AND CONTENT LEADERSHIP – RETAIL

Significant investments already made in modernising estate and machine capability, which supports the future potential of retail

## Retail gaming cabinets



- Technical trials in Dec-22 with full estate roll out commencing 2023
- New USP content and bonus features

## Self Service Betting Terminals



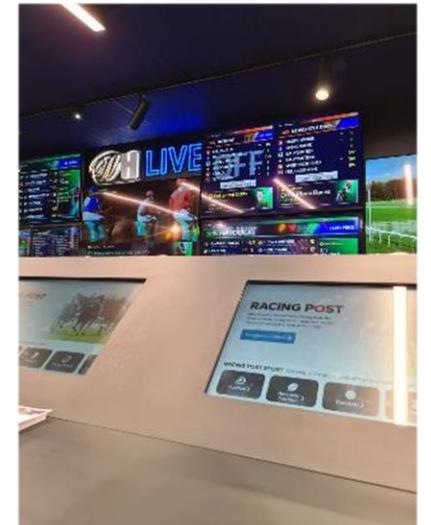
- Approximately 3,800 proprietary terminals
- Small form factor trials in 2023 exploring future investment

## EPOS Smart Hubs



- Entire estate with new EPOS Smart Hubs
- SSBT markets now available over the counter for the first time

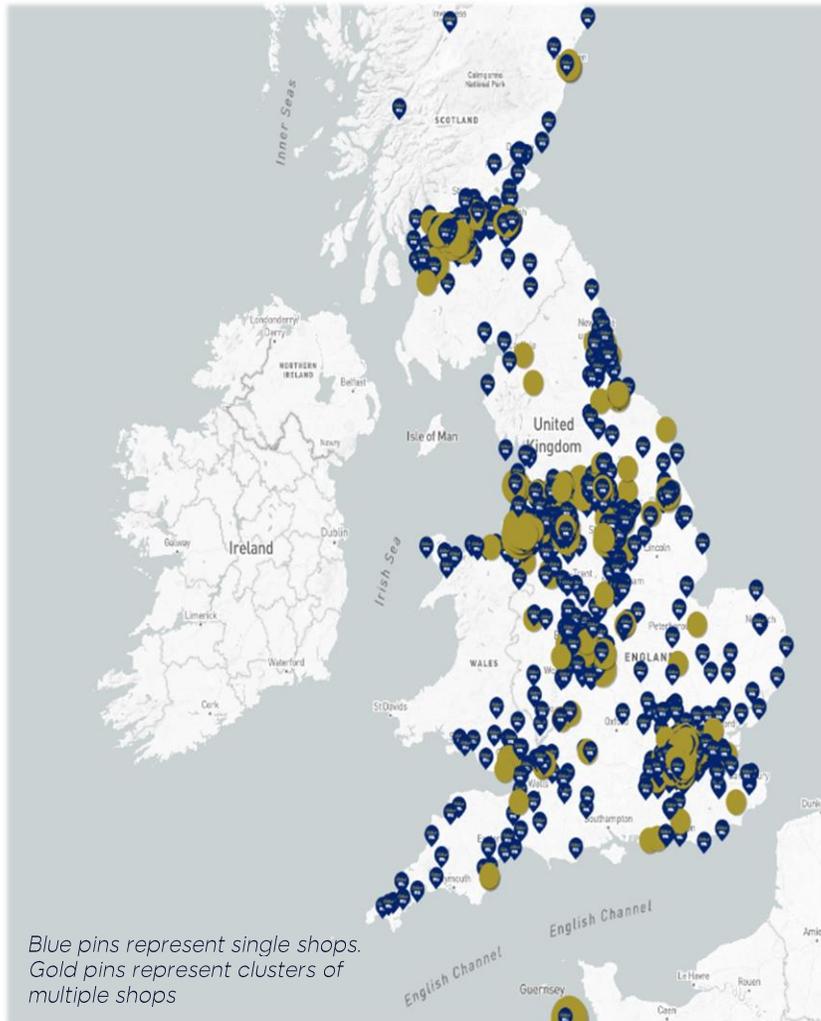
## Shop of the future



- 2 concept shops opened in Glasgow and Leeds
- Technology trials; gantry cams, footfall tracking, and Racing Post small form factor

# THE BRAND POWER OF RETAIL

Retail generates significant brand awareness and complements the UK online business



## Nationwide retail presence has significant brand benefits

- >1,350 shops provide significant advertising and media value - raising brand awareness
- >6,500 colleagues complementing UK online business
- High quality digital screens rolling out across estate delivering dynamic and localised content
- Extended reach via 36 racecourse venues together with in-stadia partnerships

# CUSTOMER EXCELLENCE

## Our focus on the customer experience drives player loyalty

### First-class in-shop experience delivered by front line colleagues

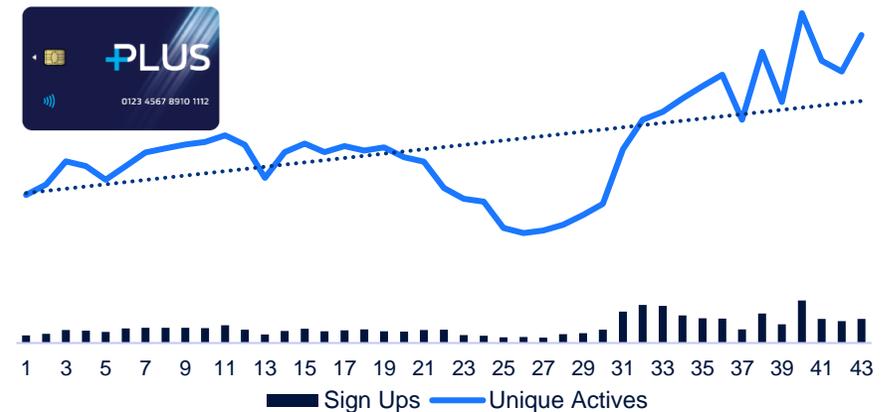


- 6,500+ colleagues delivering an high quality in-shop experience, with 83% NPS year to date
- Further enabled by new operating model and recent tech investment
- Leading the market on key drivers of customer choice like speed of service and having friendly / knowledgeable colleagues
- Safer gambling an intrinsic part of retail customer experience with over 40,000 safer gambling interactions so far this year
- 'Shop of the future' provides ideal environment to test new tools and initiatives for empowering customers to better stay in control

### Constantly improving omni-channel experience

- Retail is complementary to our online offering with enhanced focus on omni-channel since merging UK retail and online teams in Sep-20
- Delivering more of the online experience in-shop, with EPIC odds promotions and improved smart hubs delivering significant improvement in online sign ups via plus card: H2 to date almost 2x the H1 weekly average

Weekly plus card sign ups and unique actives



# KEY MESSAGES

Cementing and growing our market leading position, enhanced by complementary retail



## POSITION

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- We operate market leading brands for betting and gaming in the one of the world's largest regulated online gambling markets
- Attractive leading cash generative retail proposition complementing online



## PLAN

---

- Leverage the benefits of the combination and improved product, brand, and customer experience capabilities to drive share gains while simultaneously increasing profitability



## POTENTIAL

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- Market leading brands capturing greater share of wallet and producing significant operating cash flow to support wider group investment

# INTERNATIONAL

NIR HAKARMELI, MANAGING DIRECTOR INTERNATIONAL

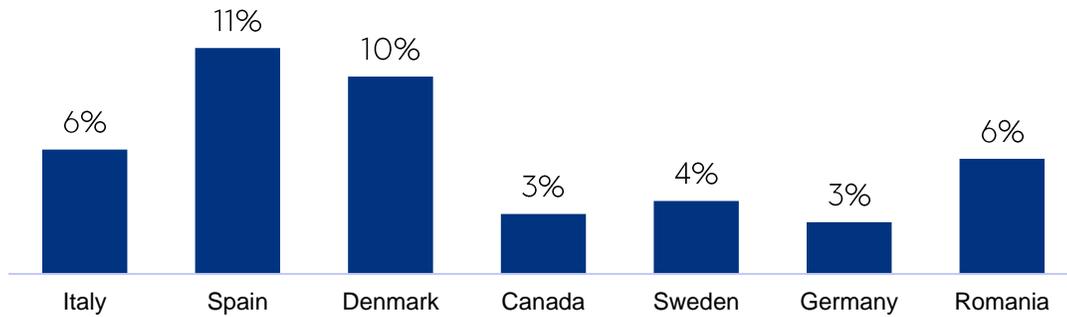
# INTERNATIONAL OVERVIEW



Strong positions across our focus markets and leading global brands

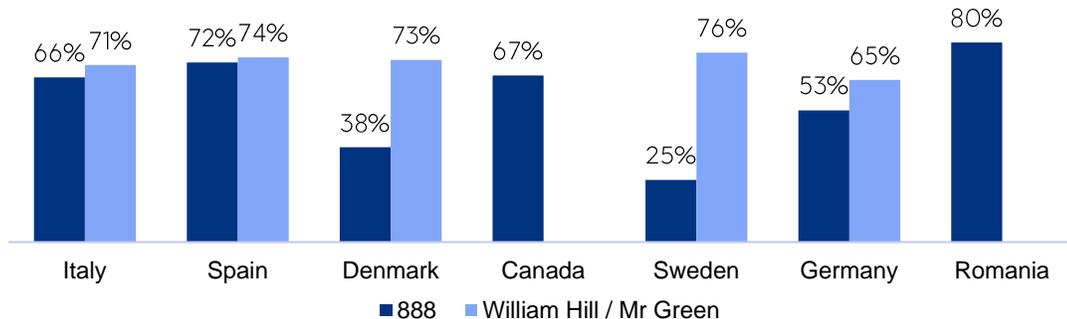
## Global portfolio with strong positions in attractive markets

2021 market share across key markets<sup>1</sup>



## World class brands – strong footprint and high awareness

Brand awareness<sup>2</sup>



## Focused on building leading positions or optimising return

### 1 Focus on key markets with clear plans



### 2 Win by leveraging our competitive advantages



Empowered by localised operating model and enhanced by integration

<sup>1</sup> Regulus Partners  
<sup>2</sup> GfK brand tracking

# GROWTH MARKET EXAMPLE – DENMARK

## Elevate market leading brand with enhanced product

### Mr Green is a leading brand in the Danish market



**#3**  
market position<sup>1</sup>

**10%**  
market share<sup>1</sup>



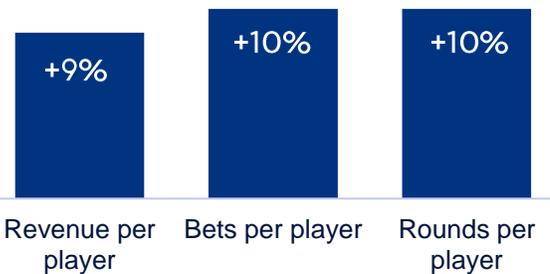
**73%**  
brand awareness<sup>2</sup>

- Strong leadership team
- Local expertise and access to local marketing channels
- High customer NPS

### Which can be enhanced through 888s superior product

- Superior App & advanced engagement tools
- Access to over 1,000 games available in the market
- Access to 150+ in-house games from Section 8, including 10 exclusive Jackpots
- Fully automated AI-driven personalisation tools driving improved retention and returns

#### Uplift of AI recommendation vs control



<sup>1</sup> Regulus Partners  
<sup>2</sup> GfK brand tracking

# CORE MARKET EXAMPLE - ITALY

Growing share through enhanced sports betting and gaming experience across brands

## Brands and marketing

- Local expertise in marketing unified under one organic team operating dual brands
- Opportunities to leverage combined strengths and assets in digital marketing

SEO keyword ranking	William Hill	888
Casino online	4	2
Roulette online	18	1
Blackjack online	23	2
Casino live	21	4
Slot online	20	1

[williamhillnews.it](http://williamhillnews.it)

## Product and content leadership



**+86%**

ARPU for sports only customers is 86% higher at William Hill than 888sport

**+60%**

ARPU for multi-product gaming and sports customers is 60% higher in 888

Upside potential from enhancing product: William Hill delivers better sports returns. 888 delivers better casino and multi-product returns

## Customer excellence

Player days per active per month



New daily free to play games increasing engagement



# KEY MESSAGES

Grow leading positions and improve efficiency through focused operation, world class brands, and combining local knowledge with global expertise



## POSITION

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- Fragmented business, with a range of products and brands that are competing against each other in some markets, creating certain inefficiencies



## PLAN

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- Migrate to one platform, enhancing product and content capabilities
- Structure our strong talent pool around core and growth markets
- Drive higher returns from our brands, using localisation and brand selection



## POTENTIAL

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- Unlocking huge future potential and leveraging scalable global platform to drive growth in existing and new markets



HOLDINGS

# SUMMARY

ITAI PAZNER, CEO

# KEY MESSAGES

Strong equity growth potential as we build an exciting platform for future growth through integration, market focus, and commitment to deleveraging



## POSITION

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- Strategic rationale reinforced
- Material external changes mean we are prioritising within the business to address the near term challenge of capital constraints



## PLAN

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- Focused on deleveraging through delivering on our integration plans and market focus
- Increased and accelerated synergies
- We have all the assets and capabilities to deliver on our vision



## POTENTIAL

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- Create a strong platform for the future
- Highly attractive upside potential for equity holders



HOLDINGS

# Q&A

PRESENTERS



HOLDINGS

# APPENDIX

# 2023 TECHNICAL GUIDANCE

## Delivering our plan of integration and market focus



<b>Group</b> <ul style="list-style-type: none"><li>● Low single digit revenue decline</li><li>● Adjusted EBITDA margin at least 20%</li></ul>	<b>Cashflow</b> <ul style="list-style-type: none"><li>● Capex of ~£90m, benefitting from early synergies</li><li>● One-offs:<ul style="list-style-type: none"><li>● Cost to achieve synergies £66m</li><li>● Other exceptional items ~£35m</li></ul></li><li>● Interest costs of ~£165m, c.9% of gross debt</li><li>● IFRS16 lease payments ~£33m</li></ul>
<b>Online</b> <ul style="list-style-type: none"><li>● Low single digit revenue decline in the UK with impact of safer gambling measures</li><li>● Marketing ratio ~24-25%</li><li>● EBITDA margin at least 21%</li></ul>	
<b>Retail</b> <ul style="list-style-type: none"><li>● Continuation of recent trends with broadly stable revenue</li><li>● Incremental £15m of costs from wage increases and utilities inflation</li><li>● EBITDA margin ~15%</li></ul>	<b>Other</b> <ul style="list-style-type: none"><li>● Approximately £125m of adjusted depreciation and amortisation</li><li>● Approximately £20m of P&amp;L non-cash interest charges relating to OID amortisation</li><li>● Effective tax rate approximately 15% of Adjusted PBT</li></ul>

# DEBT FACILITIES

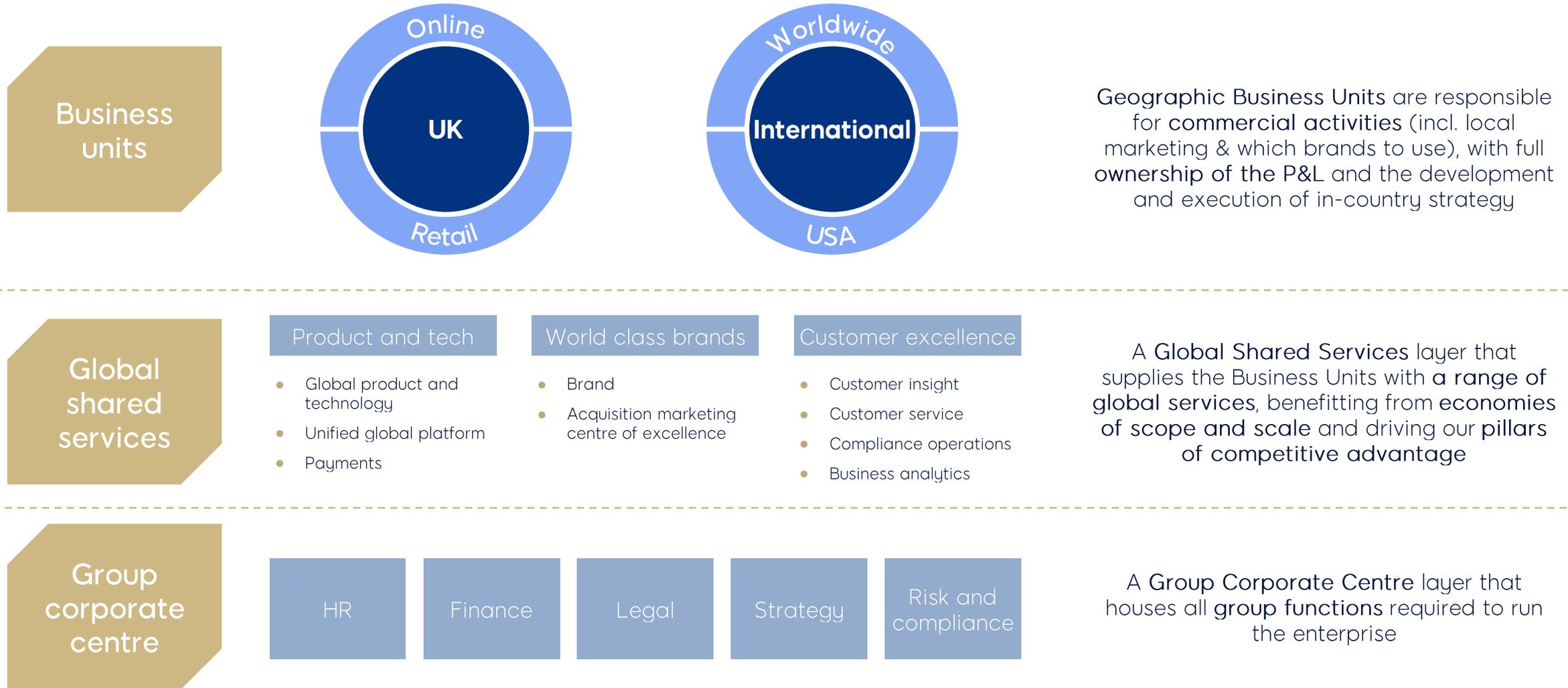
## Long-term debt structure with sufficient flexibility to support plans

Borrowing	Principal	£ equivalent <sup>1</sup>	Interest rate	Maturity
TLA (GBP)	£347m	<b>£347m</b>	SONIA + 550bps	2028
TLA (EUR)	€467m	<b>£405m</b>	EURIBOR + 550bps	2028
TLB (USD - hedged)	£287m	<b>£287m</b>	10.4%	2028
TLB (USD)	\$168m	<b>£141m</b>	SOFR +525bps	2028
Fixed notes (EUR)	€400m	<b>£347m</b>	Fixed coupon 7.558%	2027
Floating notes (EUR)	€300m	<b>£260m</b>	EURIBOR + 550bps	2028
William Hill 2026 bonds	£11m	<b>£11m</b>	4.75%	2026
<i>Undrawn RCF (multi-currency)</i>	<i>£150m</i>	<b><i>£150m</i></b>	<i>SONIA + 375bps</i>	<i>2028</i>

<sup>1</sup> Based on FX rates as at 18 November 2022, being 1.19 USD and 1.15 EUR

# OPERATING MODEL

A clear structure to deliver local focus while benefitting from scalable group resource



## Forward looking statements

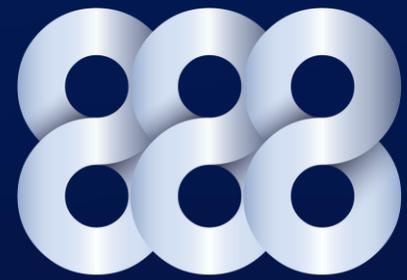
- This presentation may contain certain forward-looking statements, beliefs or opinions, with respect to the financial condition, results of operations and business of the Company. These statements, which contain the words 'anticipate', 'believe', 'intend', 'estimate', 'expect', 'may', 'will', 'seek', 'continue', 'aim', 'target', 'projected', 'plan', 'goal', 'achieve' and words of similar meaning, reflect the Company's beliefs and expectations and are based on numerous assumptions regarding the Company's present and future business strategies and the environment the Company will operate in and are subject to risks and uncertainties that may cause actual results to differ materially. No representation is made that any of these statements or forecasts will come to pass or that any forecast results will be achieved. Forward-looking statements involve inherent known and unknown risks, uncertainties and contingencies because they relate to events and depend on circumstances that may or may not occur in the future and may cause the actual results, performance or achievements of the Company to be materially different from those expressed or implied by such forward looking statements. Many of these risks and uncertainties relate to factors that are beyond the Company's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of regulators and other factors such as the Company's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Company operate or in economic or technological trends or conditions. Past performance of the Company cannot be relied on as a guide to future performance. As a result, you are cautioned not to place undue reliance on such forward-looking statements. The list above is not exhaustive and there are other factors that may cause the Company's actual results to differ materially from the forward-looking statements contained in this presentation.
- Forward-looking statements speak only as of their date and the Company, its respective parent and subsidiary undertakings, the subsidiary undertakings of such parent undertakings, and any of such person's respective directors, officers, employees, agents, affiliates or advisers expressly disclaim any obligation to supplement, amend, update or revise any of the forward-looking statements made herein, except where it would be required to do so under applicable law. No statement in this presentation is intended as a profit forecast or a profit estimate and no statement in this presentation should be interpreted to mean that the financial performance of the Company for the current or future financial years would necessarily match or exceed the historical published for the Company.

## Historical William Hill financial information

- Historical William Hill results presented throughout this document have been restated to align to 888 accounting policies and presentation.
- William Hill financials are reported on a 52 week basis opposed to calendar year. No adjustment has been made in respect of the different periods. William Hill quarterly results as presented for Q1-20 to Q2-22 reflect the 13 weeks ended 31 March 2020; 30 June 2020; 29 September 2020; 29 December 2020; 30 March 2021; 29 June 2021; 28 September 2021; 28 December 2021; 29 March 2022; 28 June 2022; and 27 September 2022 respectively. The quarterly, half yearly, year to date and annual results reflect the 13, 26, 39 and 52 weeks ending on the same relevant date.
- Pro forma information included in this presentation (including the associated narrative) is unaudited.

## Rounding

- Subtotals, totals, and percentage changes shown throughout this document have been calculated based on the underlying numbers and therefore may not sum directly when using the rounded numbers presented.



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