



Chairman's statement

Another year of strong strategic and operational progress



Brian Mattingley
Chairman



We have a clear and proven strategy across both B2B and B2C, underpinned by outstanding products and extremely talented colleagues in some of the most exciting and fastest growing markets worldwide."

Introduction

I am pleased to be writing to you after another successful year for Playtech. The Company has built on the strong strategic and operational progress of recent years, and continues to cement its leadership across both B2B and B2C.

I would like to take this opportunity to thank the Executive Management team, which continues to demonstrate its agility and resilience in navigating a challenging external backdrop, given the ongoing wars in Ukraine and the Middle East. I would also like to highlight our professional and hardworking colleagues around the world, who remain committed to supporting all our customers and growing our business. Finally, I would like to acknowledge the support of the Non-executive Directors, who have worked tirelessly in supporting the Group's strategy and ambitions.

2023 in review

While there were many challenges in 2023, the consistent quality at the core of our business meant that we were able to upgrade our expectations during the year and deliver a strong financial performance. This result was underpinned by good contributions from both the B2B and B2C businesses, and ensures we are firmly on track to meet our medium-term Adjusted EBITDA targets.

B2B

Our B2B performance was powered by our continued strength in regulated and soon-to-be-regulated markets:

- We have laid the groundwork for future growth in the **US**: we signed a landmark strategic partnership with Hard Rock Digital, have three US Live Casino facilities operational and are now licensed in 11 US states.
- In **Latin America**, we further cemented our leadership position with Caliplay in Mexico, as well as our position with Galerabet in Brazil. We are currently working to resolve a disagreement with Caliplay, the online casino and sports betting arm of Caliente. Caliplay remains a highly important customer for Playtech and we are committed to continuing to maintain an open dialogue with Caliplay to discuss a path forward.
- **Live Casino** remains an attractive product vertical and we are continuing to invest in both physical infrastructure and content to capitalise on this exciting opportunity.

B2C

Our B2C operations continue to go from strength to strength, with Snaitech extending its reputation for excellent performance across both retail and online:

- The management team at Snaitech continues to deliver superb results, underlined by the Snai brand maintaining its number one market share position across Italian sports betting brands for retail and online combined.
- The retail betting division delivered a record performance, with revenues c.20% above the pre-pandemic levels achieved in 2019, illustrating the strength of the Snai brand. Online continues to perform well, benefiting from the brand awareness provided by the retail business.
- We remain very optimistic about the prospects for B2C, and are actively looking to accelerate the division's growth through targeted M&A and by optimising HAPPYBET's online offering.

Corporate activity

Hard Rock Digital

As announced in March 2023, Playtech signed a landmark strategic agreement with Hard Rock Digital, the interactive gaming and sports betting division of Hard Rock International. Partnering with such an iconic brand with a proven management team will significantly strengthen Playtech's position in North America and is very much in line with the Group's B2B strategy. As part of the agreement, Playtech has also invested \$85 million in exchange for a minority stake in Hard Rock Digital.

The momentum across our business and the Group's healthy balance sheet have meant that we have been able to be active in reviewing potential acquisition opportunities during 2023, and submitted offers for assets in the B2C segment and for bolt-on acquisitions within B2B. We expect to continue to be open to any opportunities in the coming year, but will also remain very disciplined on price and in assessing the potential for acquisitions to add value for our shareholders.

Refinancing

The refinancing at the end of June 2023 strengthened our balance sheet, giving us the flexibility to invest in our business as well as pursue inorganic opportunities. The new €300 million bond enabled us to redeem all of the outstanding notes due in 2023 and to repay outstanding debt under the existing revolving credit facility, which is now wholly undrawn.

Board changes

At the start of the year, we welcomed Samy Reeb to the Board as a new independent Non-executive Director, bringing his extensive experience of working with global businesses across wealth and tax advisory. We are already benefiting from the additional depth he brings to the Board and will continue to draw on his expertise in the years to come.

A big priority of mine has been to improve the diversity of the Board, and the appointment of Ruby Yam as an independent Non-executive Director in June 2023 moved us in the right direction. While it was unfortunate that she stepped down the following month for personal reasons, we continue to be actively focused on achieving our ambition of having a more diverse Board.

We said goodbye to John Krumins following our interim results in September 2023. John's contribution was invaluable during a period of significant change for the Company. We wish him all the best for the future.

Over the year, we have also made changes to the composition of the Board Committees to ensure that we are making the most of the skills available to us. Further information can be found on page 117 in the Governance section of this report.

Sustainability

Our performance in 2023 was underpinned by our sustainability strategy, which is central to how we operate and serve our customers. As an organisation, we are committed to using technology to advance safer gambling. I am really pleased with the positive steps we have taken in this area, including bringing BetBuddy – our player protection tool – to more brands in more geographies.

2023 also saw Playtech receive recognition for our efforts to reduce our carbon footprint against our targets and an improvement in gender diversity within our leadership ranks. These are both areas I personally feel very strongly about, and we will not be complacent but will continue to invest time and resources in marching towards the targets that we have set ourselves.

Israel and Ukraine

As has unfortunately become necessary in recent years, we have to remain mindful of geopolitical tensions around the world. It can be easy for some to forget that the war in Ukraine rages on, but it remains front of mind for all of us at Playtech given the number of employees we have there. As has been the case since the start of the war, our colleagues continue to go above and beyond in providing support to those who remain on the ground in Ukraine.

We are also deeply saddened by the devastation and death toll caused by the ongoing Israel-Hamas war. Following the initial terrorist attack on 7 October 2023, our priority was to ensure the safety of our colleagues in the region and ensure they had whatever was needed to support them and their families. It goes without saying that, as an organisation, we strongly oppose all forms of hate and we hope for a resolution in the near future. Until then, we will continue to offer assistance to the communities we operate in wherever possible.

Another exciting year ahead

We remain as confident as ever in the opportunity ahead of us for our business and the industry we operate in. We have a clear and proven strategy across both B2B and B2C, driven by outstanding colleagues in some of the most exciting and fastest growing markets worldwide. We are well on track to meet our medium-term expectations, and look forward to continuing to deliver strong returns for all of our stakeholders.

Thank you for your continued support of Playtech.

Brian Mattingley
Chairman
26 March 2024

People and culture – Global Benevolent Fund

At Playtech, we strive to achieve shared values and celebrate success along the way, by empowering Playtech colleagues to be a force for good in the world. Our approach aims to help our people work together to maximise our collective positive impact on players, local communities and the environment.

We continually review ways in which we can support the health and wellbeing of our people, in good times and bad. In 2023, Playtech launched its Global Benevolent Fund, an initiative to provide financial support to colleagues and their immediate families who may encounter unforeseen, severe, life-changing challenges.

Since its inception in late 2023, the Fund has already supported colleagues in need, covering hardships such as losing a family member, long-term injuries and life-changing illnesses.

