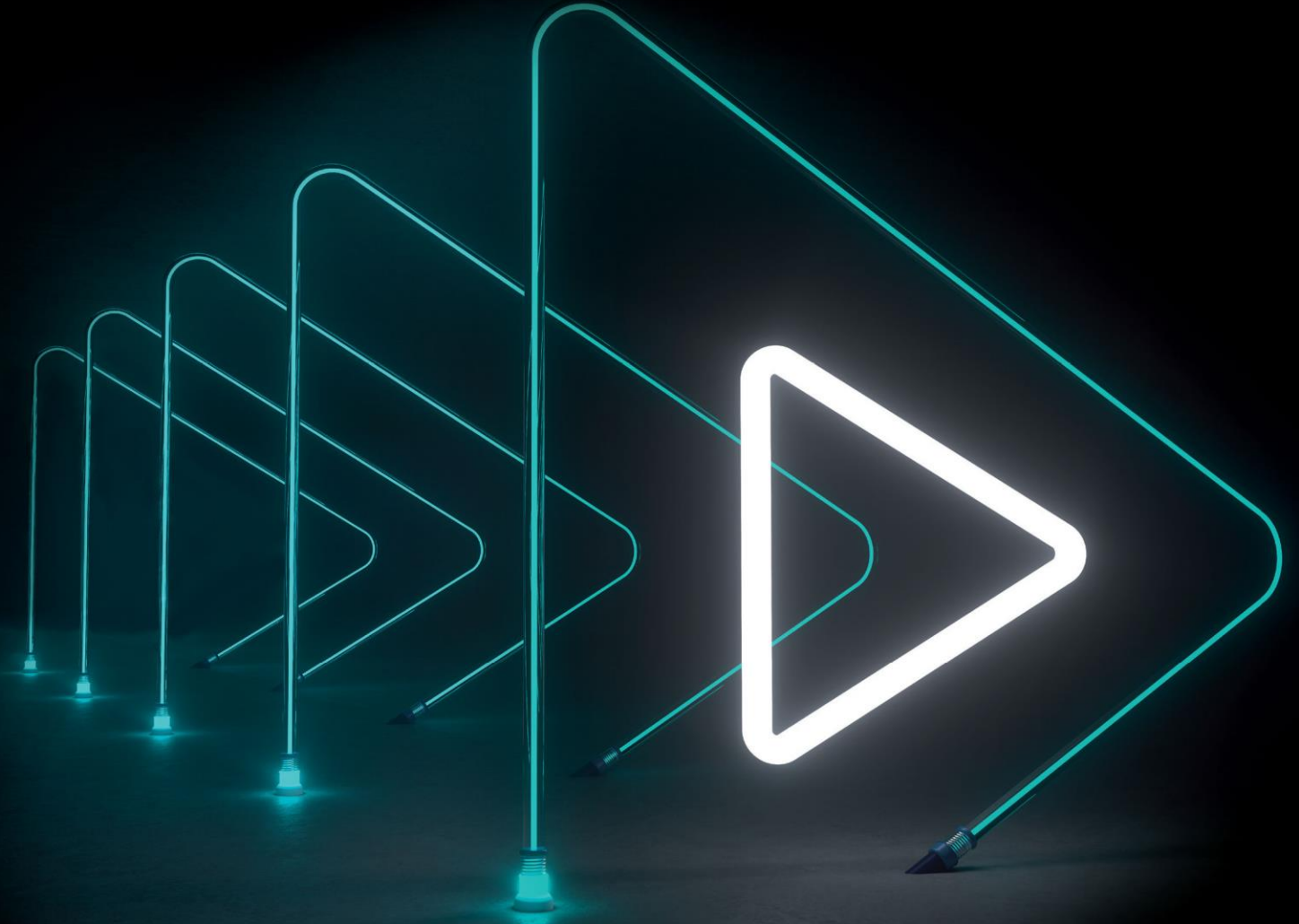


# H1 2020 results

17 September 2020



## Group highlights



**Mor Weizer**  
Chief Executive Officer

## Financial review and outlook



**Andrew Smith**  
Chief Financial Officer

## Strategic priorities



**Mor Weizer**  
Chief Executive Officer

## Decisive action taken early

- Priority was to limit the effects of the pandemic on staff, partners and overall business
- Business continuity plan enacted in early stages of the pandemic
- Outstanding response from our people
- Support provided to local communities
- Seamless transition to remote working; productivity levels and delivery deadlines maintained
- Safer Gambling engagement tools were made available for free during the crisis

## Resilient H1 performance; continued operational execution

- Resilient H1 driven by online and TradeTech together with early and decisive actions taken in response to COVID-19
- Significant US momentum: New Jersey license received and launched with bet365; further license applications underway; investment to increase
- New structured agreements signed in Guatemala and Costa Rica; Caliente now top 3 customer
- Launch of Playtech's sustainable business strategy to consolidate position as a global leader in safer products, data analytics and player engagement solutions
- Simplification of Playtech progressing; actions taken on assets under review

## Delivering our strategy

2020 priorities	Progress
1. Increase US investment	Launched with bet365 in New Jersey; Live facility under development; further applications underway ✓
2. Sign new structured agreements	New structured agreements in Guatemala and Costa Rica ✓
3. Sign 50 new brands	>50 new brands signed in H1, surpassing FY 2020 target ✓
4. Snaitech to outperform in Italy	Snaitech #1 across Sports in Italy in H1 ✓
5. Drive further developments in Safer Gambling	Launched Playtech Protect; leading on safer game design ✓
6. Asset review	TradeTech process underway; Sold loss-making Casual Gaming assets; HPYBET under Snaitech management ✓

## Group highlights



**Mor Weizer**  
Chief Executive Officer

## Financial review and outlook



**Andrew Smith**  
Chief Financial Officer

## Strategic priorities



**Mor Weizer**  
Chief Executive Officer

## Robust start to 2020; resilient despite COVID-19

### Strong start to 2020 pre-COVID-19

- Strong January and February
- Q1 EBITDA of €117m

### Resilient H1 despite COVID-19

- Core B2B Gambling revenues down 5%
  - Core B2B Online growth of 18%
  - Non-UK regulated up 11%
- Snaitech Online revenues up 37%; number 1 in Sports
- Outstanding TradeTech performance

### Cash preservation measures

- Early decisions taken to preserve cash across the business
- All areas of cash preservation examined

### Strong balance sheet and liquidity

- Free cash flow positive in H1; liquidity improved
  - RCF drawn down; covenants renegotiated
  - Final €36m of Snaitech land sale received in Q3
- Net Debt / EBITDA improved to 1.5x (FY19: 1.6x)
- Sale of certain Casual Gaming assets completed

## Decisive action taken early to navigate pandemic

### Cash preservation

- Shareholder distributions suspended; €65m preserved
- Salary reductions across the Company (incl. 20% for Board and Executive Management)
- Deferral or cancellation of planned H1 capital expenditure
- Strict working capital management
- Reduced office and maintenance costs
- Renegotiated timing of 2020 earnout payments

### Liquidity

- Navigated pandemic with positive free cash flow
- RCF drawn down as precaution only
- Playtech has 5-year (€530m) and 7-year (€350m) bonds (October 2023 and March 2026)

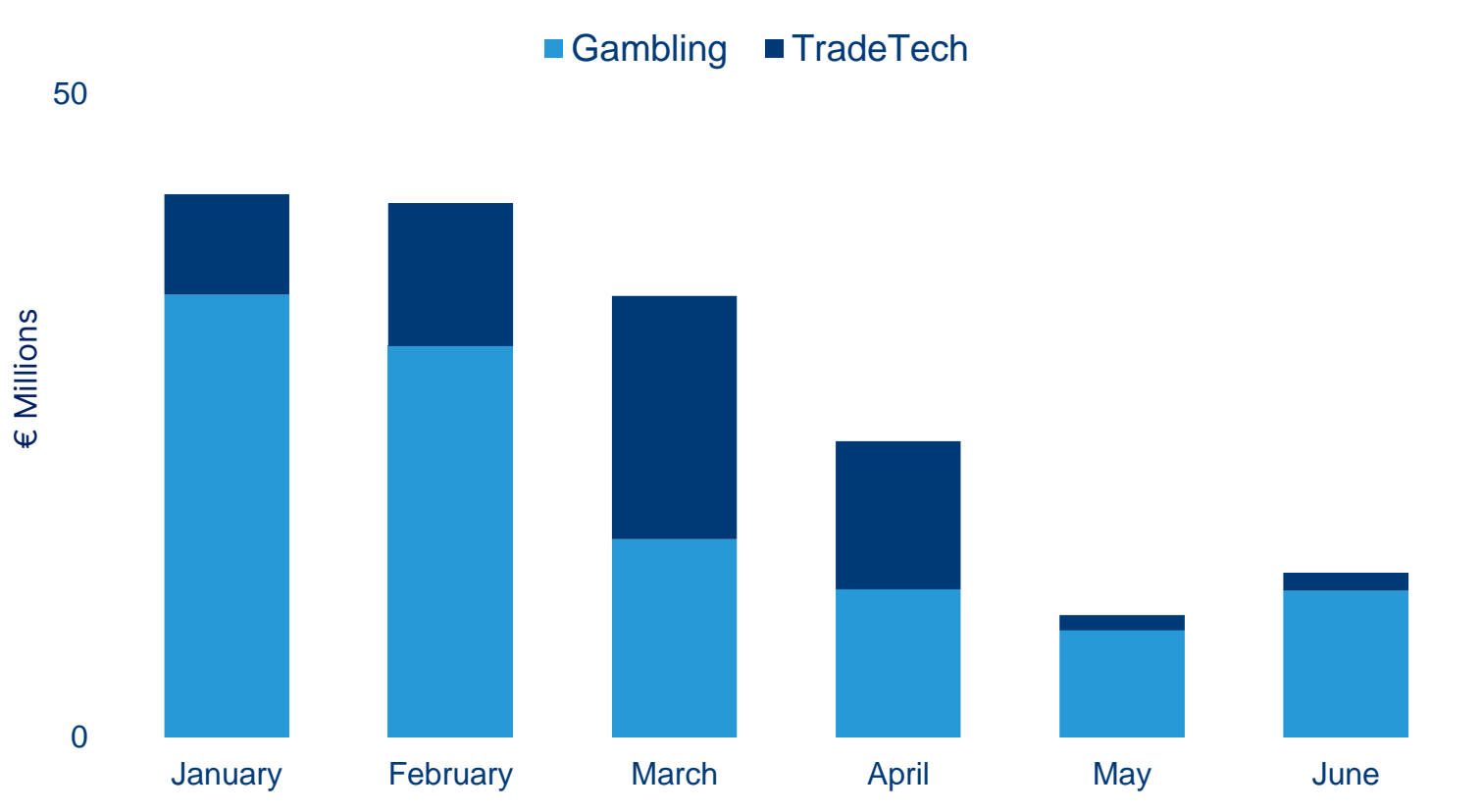
### Covenants renegotiated as precautionary measure

- Leverage covenant amended to 5x Net Debt / EBITDA (Dec-20 test) and 4.5x (Jun-21 test)
- Interest Cover covenant amended to 3x EBITDA (Dec 20 test) and 3.5x (Jun-21 test)
- Comfortably within the limits for both



# Group EBITDA by month

Robust start to 2020 before COVID-19; recovery underway



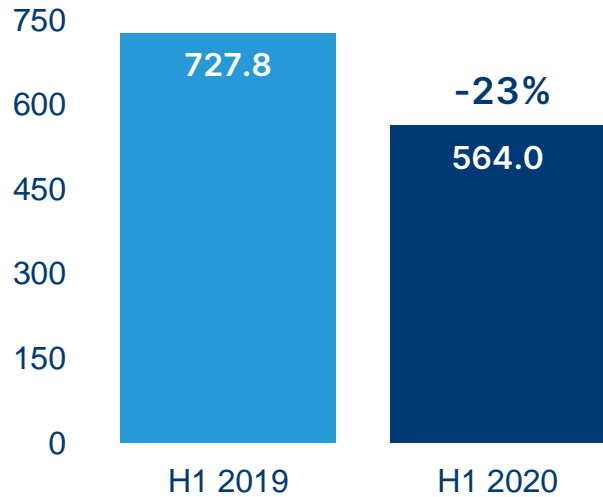
## Recovery in July and August

- Very strong July:
  - Pent up demand
  - Concentration of football matches
  - Strong TradeTech
- Solid August:
  - Lower than July
  - Retail caution
  - Modest TradeTech

## Group results impacted by pandemic

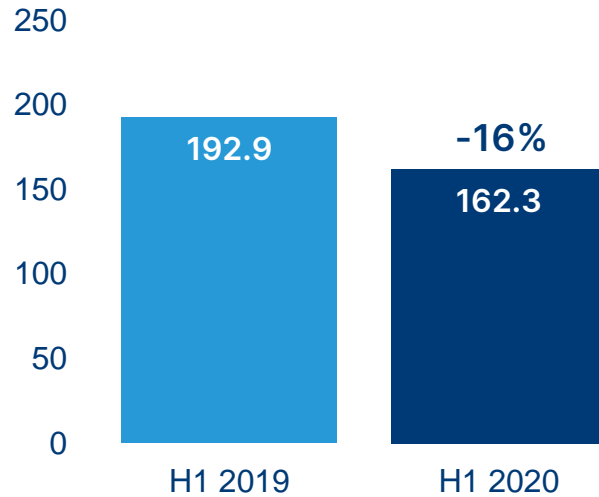
Total revenue (€m)

€564.0



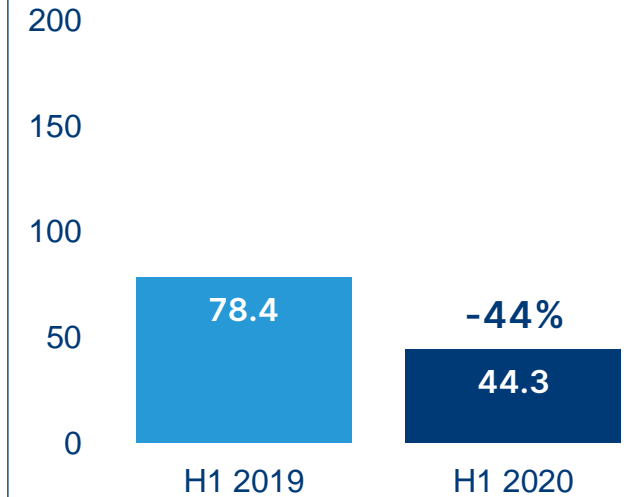
Adj. EBITDA (€m)

€162.3



Adj. Net Profit (€m)

€44.3



## Strong Core B2B performance outside UK

€ millions	H1 2019*	H1 2020	%	CC%
UK	94.8	66.1	-30%	-30%
Other regulated	74.2	80.5	8%	11%
<b>Total Regulated B2B revenue</b>	<b>169.0</b>	<b>146.6</b>	<b>-13%</b>	<b>-12%</b>
Unregulated excl. Asia	31.5	41.9	33%	32%
<b>Total Core B2B revenue</b>	<b>200.5</b>	<b>188.5</b>	<b>-6%</b>	<b>-5%</b>
Unregulated Asia	65.0	41.2	-37%	-36%
<b>Total B2B Gambling revenue</b>	<b>265.5</b>	<b>229.7</b>	<b>-13%</b>	<b>-12%</b>
B2B costs	155.3	166.5	7%	7%
<b>B2B Adjusted EBITDA</b>	<b>110.2</b>	<b>63.2</b>	<b>-43%</b>	<b>-39%</b>

Online only & excluding Sports				
H1 2019	H1 2020	%	CC%	
52.0	51.9	0%	1%	
37.4	57.7	54%	60%	
<b>89.4</b>	<b>109.6</b>	<b>23%</b>	<b>25%</b>	
30.1	41.0	36%	35%	
<b>119.5</b>	<b>150.6</b>	<b>26%</b>	<b>28%</b>	
65.0	41.2	-37%	-36%	
<b>184.5</b>	<b>191.8</b>	<b>4%</b>	<b>5%</b>	

\* UK benefitted from a significant one-off hardware sale in H1 2019

# B2C Gambling performance

## B2C impacted by retail closures and sports cancellations

€ millions	Revenue				Adjusted EBITDA		
	H1 2019*	H1 2020	%	CC%	H1 2019*	H1 2020	%
Snaitech	395.8	215.5	-46%	-46%	74.7	47.1	-37%
White label (incl. Sun Bingo)	24.3	29.5	21%	22%	3.4	3.4	0%
Retail Sport B2C	9.9	8.5	-14%	-13%	-3.6	-4.2	-17%
<b>Total B2C Gambling</b>	<b>430.0</b>	<b>253.5</b>	<b>-41%</b>	<b>-41%</b>	<b>74.5</b>	<b>46.3</b>	<b>-38%</b>

\* H1 2019 numbers have been restated to reflect the reclassification of discontinued operations

## Resilient H1 driven by online strength and variable cost franchise model

€ millions	H1 2019	H1 2020	%
Retail betting	85.9	48.1	-44%
Gaming machines	249.0	92.3	-63%
Online	46.4	63.4	37%
Other	14.5	11.7	-19%
<b>Total revenue</b>	<b>395.8</b>	<b>215.5</b>	<b>-46%</b>
<b>Adjusted EBITDA</b>	<b>74.7</b>	<b>47.1</b>	<b>-37%</b>
Margin	19%	22%	—
<b>Underlying margin*</b>	<b>45%</b>	<b>41%</b>	—

\* Underlying margin excludes the distribution costs paid to franchisees

## Exceptional H1 2020

USD millions	H1 2019	H1 2020	%
B2C	\$9.9	\$22.8	130%
Liquidity offering	\$14.5	\$15.5	7%
Execution & Risk Management	\$17.5	\$50.8	190%
Full Turnkey offering	\$2.2	\$7.1	223%
<b>Net Revenue</b>	<b>\$44.1</b>	<b>\$96.2</b>	<b>118%</b>
<b>Adjusted EBITDA</b>	<b>\$9.2</b>	<b>\$58.4</b>	<b>535%</b>

- Outstanding H1 performance benefiting from increased market volatility and trading volumes
- Market conditions began to normalise towards the end of the first half and into the second half
- Initial steps towards a more efficient balance sheet; released €10 million of capital

## Strong balance sheet and liquidity

- Long-term financing in place; leverage within range
  - RCF drawn down as precautionary measure
  - Covenants renegotiated for December 2020 and June 2021 tests; comfortably within limits
  - Playtech has 5-year (€530m) and 7-year (€350m) bonds (October 2023 and March 2026)
- Shareholder distributions suspended in February 2020
  - Share buyback announced at FY19 results was suspended; 2019 final dividend not proposed
  - €65m of cash outflows saved in H1

# Cash on balance sheet

## Cash position strengthened despite pandemic

€ millions	June 2020						December 2019		
	Gambling	Snaitech	TTG	Total	RCF	Total excl. RCF	Total	RCF	Total excl. RCF
Gross Cash	378	240	405	1,023	(307)	716	672	(64)	608
Client funds / progressives*	(86)	(39)	(242)	(367)	—	(367)	(338)	—	(338)
<b>Adjusted gross cash</b>	<b>292</b>	<b>201</b>	<b>163</b>	<b>657</b>	<b>(307)</b>	<b>349</b>	<b>333</b>	<b>(64)</b>	<b>270</b>
Cash needed for operations	(50)	(30)	(53)	(133)	—	(133)	(133)	—	(133)
Capital adequacy	—	—	(60)	(60)	—	(60)	(70)	—	(70)
<b>Available cash</b>	<b>242</b>	<b>171</b>	<b>50</b>	<b>463</b>	<b>(307)</b>	<b>156</b>	<b>131</b>	<b>(64)</b>	<b>67</b>

\* Includes Client funds, progressive jackpots, security deposits & player balances



## Equipped to emerge strongly from the COVID-19 period

- Strong trading and cash generation in July and August, albeit with stronger July
- Online expected to continue to perform strongly
- Cautious about the outlook for retail
- TradeTech first half performance not expected to be repeated in H2 with market volatility currently significantly lower
- Balance sheet remains strong, allowing for selected high-return investments such as in the US
- Business performing well but caution remains given the backdrop

## Group highlights



**Mor Weizer**  
Chief Executive Officer

## Financial review and outlook



**Andrew Smith**  
Chief Financial Officer

## Strategic priorities



**Mor Weizer**  
Chief Executive Officer

## New opportunities created; accelerating existing plans

### Impact of COVID-19

- COVID-19 has accelerated shift to online and increased demands of digital functionality
- Increased demand for our technology; safer game design and monitoring tools
- Opportunities to rationalise costs and further refocus the business

### Playtech response

- Accelerating existing plans to take advantage of the new opportunities created
- Leading technology and strong balance sheet positions Playtech to execute
- Continued focus on extending Playtech's position as a global leader in safer gambling products

## Market opportunity continuing to grow



Market sizes are GGR based on forecasts for sports / iGaming by 2023.  
Source: Jefferies (2020)



# US product & technology offering

## Industry-leading technology; flexible and open architecture

Industry-leading IMS platform	✓	Live Casino	✓
Playtech Open Platform / APIs	✓	Slots	✓
Turnkey Sportsbook	✓	Poker	✓
Bet engine	✓	Omni-channel offering	✓
Trading services and risk	✓	Native iOS Casino app	✓
Bespoke risk and liability	✓	Managed services	✓
Models and algorithms	✓	Marketing and bonusing	✓

## US strategy is building momentum

	Approach	Current Status
<b>Market Entry</b>	<ul style="list-style-type: none"><li>• State by state approach</li><li>• Licensing process underway in several states</li><li>• Local presence</li></ul>	<ul style="list-style-type: none"><li>• First licence obtained in New Jersey</li><li>• Accelerating investment</li><li>• Target c.10 states by end of 2022</li></ul>
<b>Technology &amp; Products</b>	<ul style="list-style-type: none"><li>• IMS platform including CRM, BI &amp; safer gambling</li><li>• Sports via SSBTs &amp; online</li><li>• Online slots &amp; Live casino</li></ul>	<ul style="list-style-type: none"><li>• Leading platform in regulated markets</li><li>• Technology and products unrivalled</li><li>• Live Casino facility under development</li></ul>
<b>Customers &amp; Partnerships</b>	<ul style="list-style-type: none"><li>• Existing customers from other markets</li><li>• New US-based relationships</li><li>• Focus on traditional B2B model</li><li>• Potential for select structured agreements</li></ul>	<ul style="list-style-type: none"><li>• bet365 launched in New Jersey</li><li>• Strong new business pipeline</li><li>• Initial talks on structured agreements</li></ul>

## Building on market leading position in the region

- Strategy in region focused on structured agreements
- Caliente now a top 3 licensee
- Wplay roll-out progressing as planned with first milestones achieved
- New structured agreements in Guatemala & Costa Rica
- Medium term opportunities include Panama, Peru, Argentina, Brazil
- €100m annual revenue opportunity in medium term



## The market leader in Italy

#1

Sports betting  
market share in H1

41%

Growth in online  
stakes

€55m

Land sale  
completed

75%

Growth in online  
EBITDA

### Resilient H1; recovery in July and August

- Retail closures and lack of sporting events significantly impacted results from March to June
- Business remained breakeven throughout worse period of pandemic
- Online had very strong growth leveraging technology and brand strength

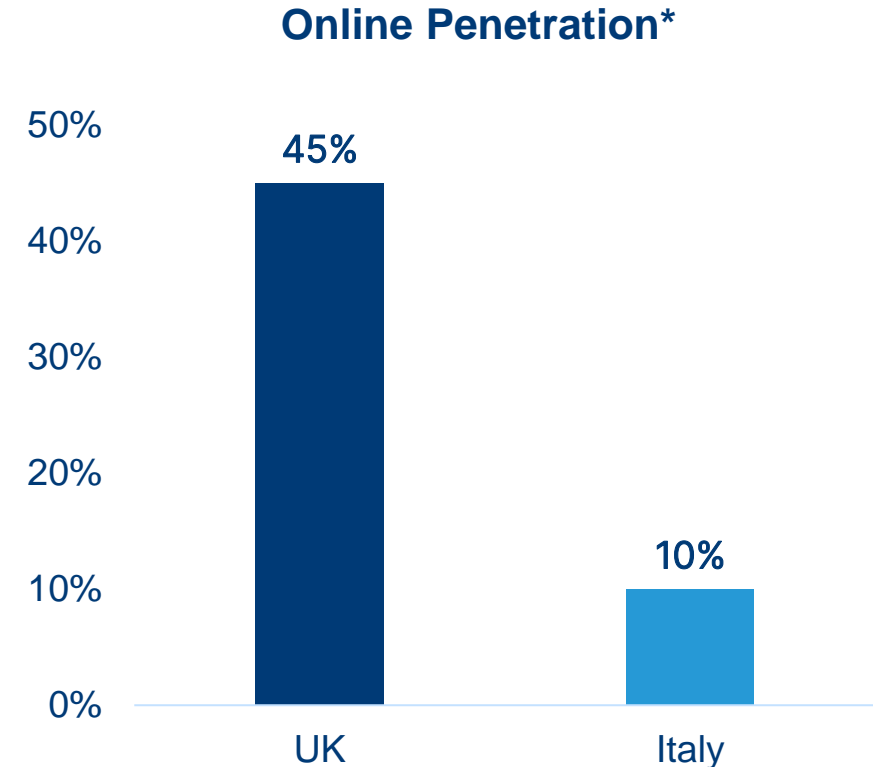


# The opportunity for Snaitech

## Largest market in Europe; ideally positioned

### Significant long-term opportunity

- Largest gambling market in Europe
- Low online penetration
- Ideally positioned to capture opportunity with brand strength and leading online offering
- Actions taken in H1 to improve online capabilities and extend market leadership



\* Source: H2 Gambling Capital (2019)

## Increased flexibility

- H1 2020 impacted by government restrictions in response to COVID-19
- Also impacted by restrictions introduced on payment processing
- Changes to operating model and distribution network in region
  - Additional distributor added
  - Increased flexibility in region going forward
- Remains highly cash generative

Sustainable success strategy; pioneering consumer protection

## Sustainable Success

Five-year sustainable & responsible business strategy

Investing £5m into initiatives that encourage safer gambling behaviours

Power



Promote



Partner



## Action being taken

### TradeTech

- Remains non-core; source of capital to the Group in H1 given strong performance
- Released €10m of previously tied-up cash
- Playtech is in discussions with a number of parties in relation to possible sale

### Retail B2C Sport (HPYBET)

- Strategic asset in Germany ahead of regulation
- To be operated by Snaitech management team going forward

### Casual and Social Gaming

- Discontinued operation
- Loss-making assets sold in H1; sale process for remainder ongoing

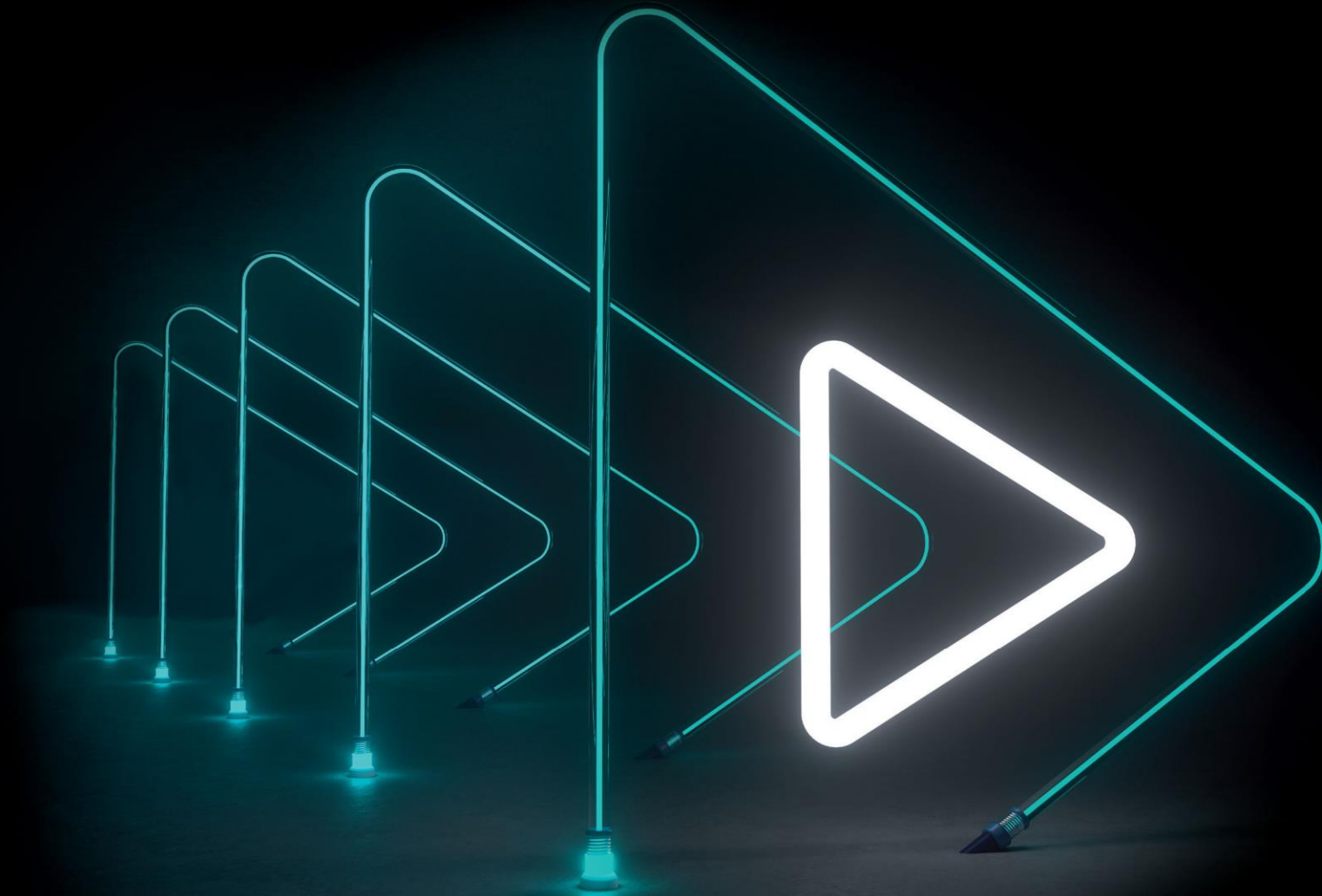
## Delivering our strategy

2020 priorities	H2 Focus
1. Increase US investment	Further license applications, go-lives, deals signed
2. Sign new structured agreements	Progress existing relationships and pipeline of structured agreements
3. Sign 50 new brands	Sign >75 new brands in 2020
4. Snaitech to outperform in Italy	Snaitech to maintain market leadership
5. Drive further developments in Safer Gambling	Execute our Sustainable Success strategy
6. Asset review	Snaitech to begin management of HPYBET; actions ongoing to dispose non-core assets

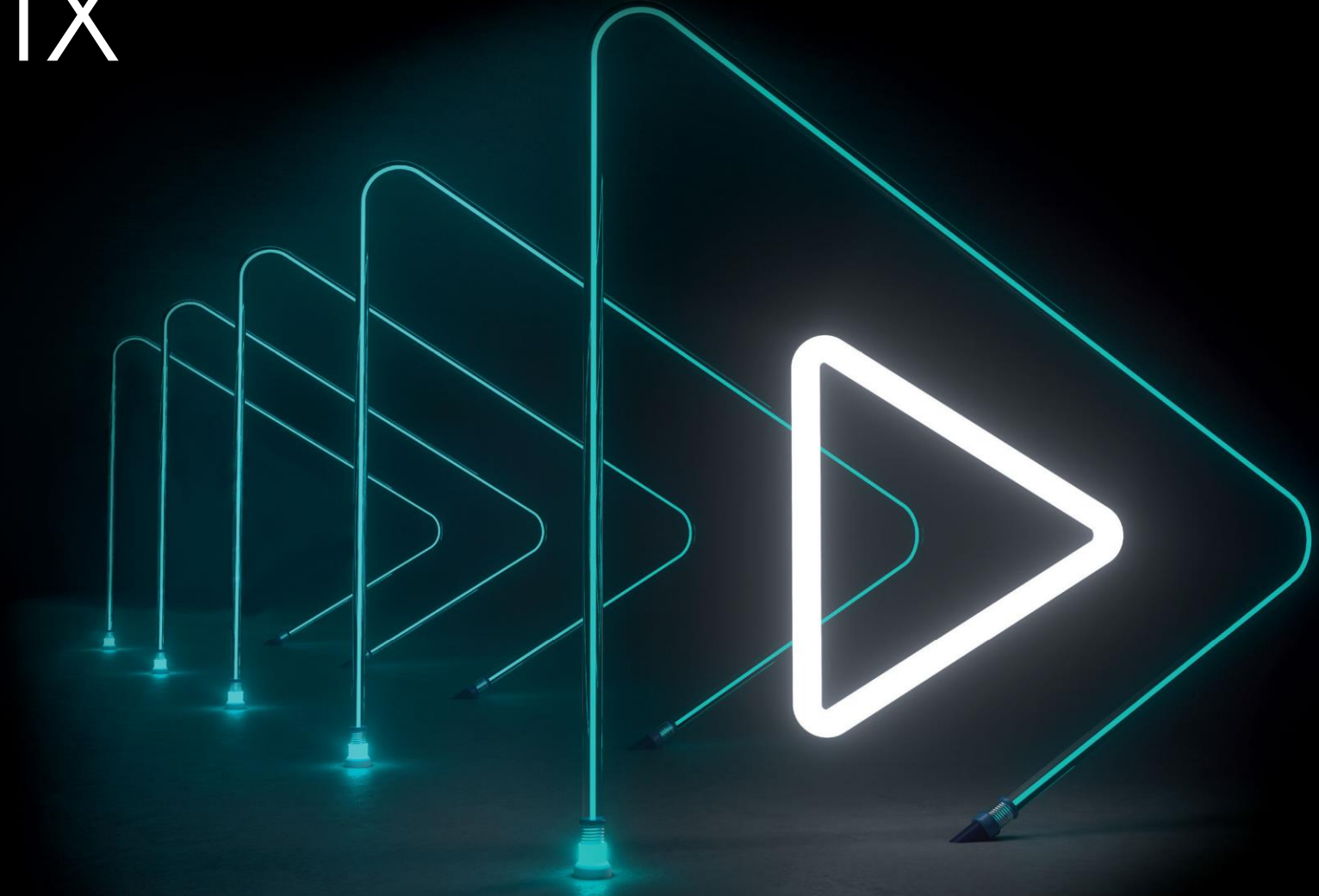
## Well positioned for future growth

- Playtech to emerge strongly from COVID-19 disrupted period
- Positioned to take advantage of emerging opportunities
  - Leading technology
  - Strong balance sheet
- Comprehensive product offering; ideally placed to capture significant US market opportunity
- Significant opportunities for further material structured agreements
- Focus on extending Playtech's position as a global leader in safer gambling products

Q&A



# Appendix

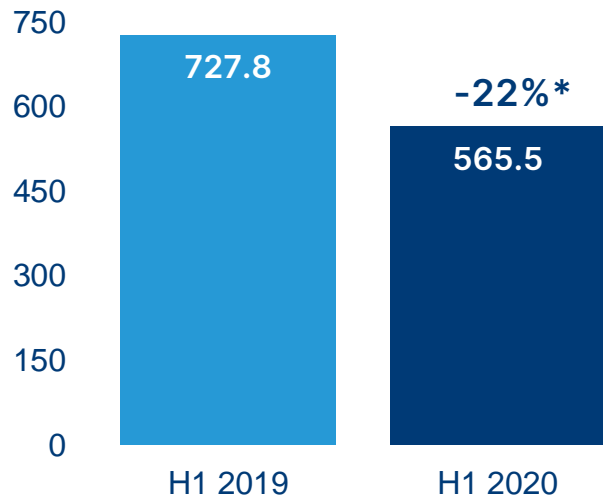




## Group - at constant currency

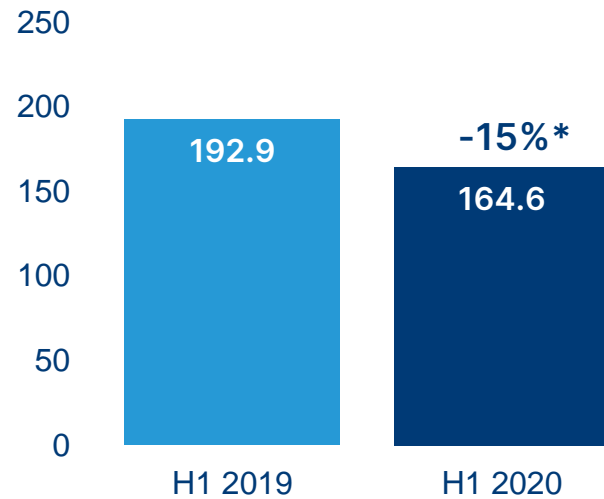
Total revenue (€m)

€565.5



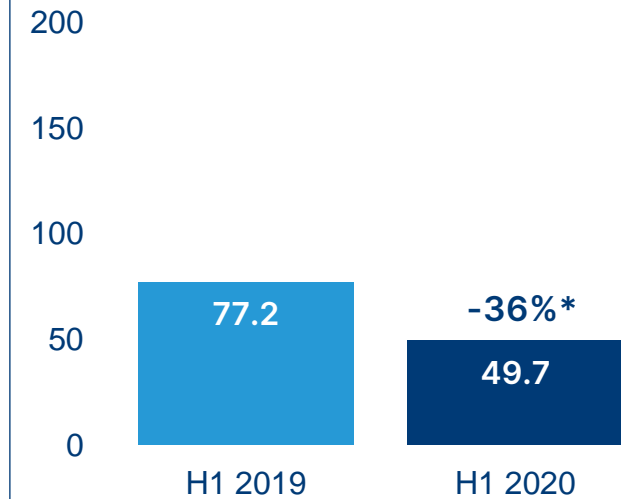
Adj. EBITDA (€m)

€164.6



Adj. Net Profit (€m)

€49.7



\* Including and excluding acquisitions

# Summary by division H1 2020

## Group

		H1 2019 (€m)*			H1 2020 (€m)		
		Revenue	Adj. EBITDA	Margin	Revenue	Adj. EBITDA	Margin
Reported	B2B Gambling	265.5	110.2	42%	229.7	63.2	28%
	B2C Gambling	430.0	74.5	17%	253.5	46.3	18%
	(Intercompany)	(6.8)	n/a	n/a	(6.5)	n/a	n/a
	<b>Total Gambling</b>	<b>688.7</b>	<b>184.7</b>	<b>27%</b>	<b>476.7</b>	<b>109.5</b>	<b>23%</b>
	TradeTech	39.1	8.2	21%	87.3	52.8	61%
	<b>Group</b>	<b>727.8</b>	<b>192.9</b>	<b>27%</b>	<b>564.0</b>	<b>162.3</b>	<b>29%</b>
<b>CC</b>	<b>Group</b>	<b>727.8</b>	<b>192.9</b>	<b>27%</b>	<b>565.5</b>	<b>164.6</b>	<b>29%</b>

\* H1 2019 numbers have been restated to reflect the reclassification of discontinued operations

# B2B Gambling customer concentration

Licensees	H1 2019	H1 2020
Top 5	39%	<b>38%</b>
Top 10	56%	<b>52%</b>
Top 15	66%	<b>62%</b>

# B2B Gambling costs

## Cost reduction during H1 in response to COVID-19

€ millions	H1 2019	H2 2019	H1 2020	H1 v H1 (%)	H1 v H2 (%)
R&D	37.4	43.5	39.2	5%	-10%
Operations	78.5	102.7	85.4	9%	-17%
G&A	29.7	27.7	32.4	9%	17%
S&M	9.7	9.9	9.5	-2%	-4%
<b>Total B2B Gambling costs</b>	<b>155.3</b>	<b>183.8</b>	<b>166.5</b>	<b>7%</b>	<b>-9%</b>

# Net profit and EPS

37

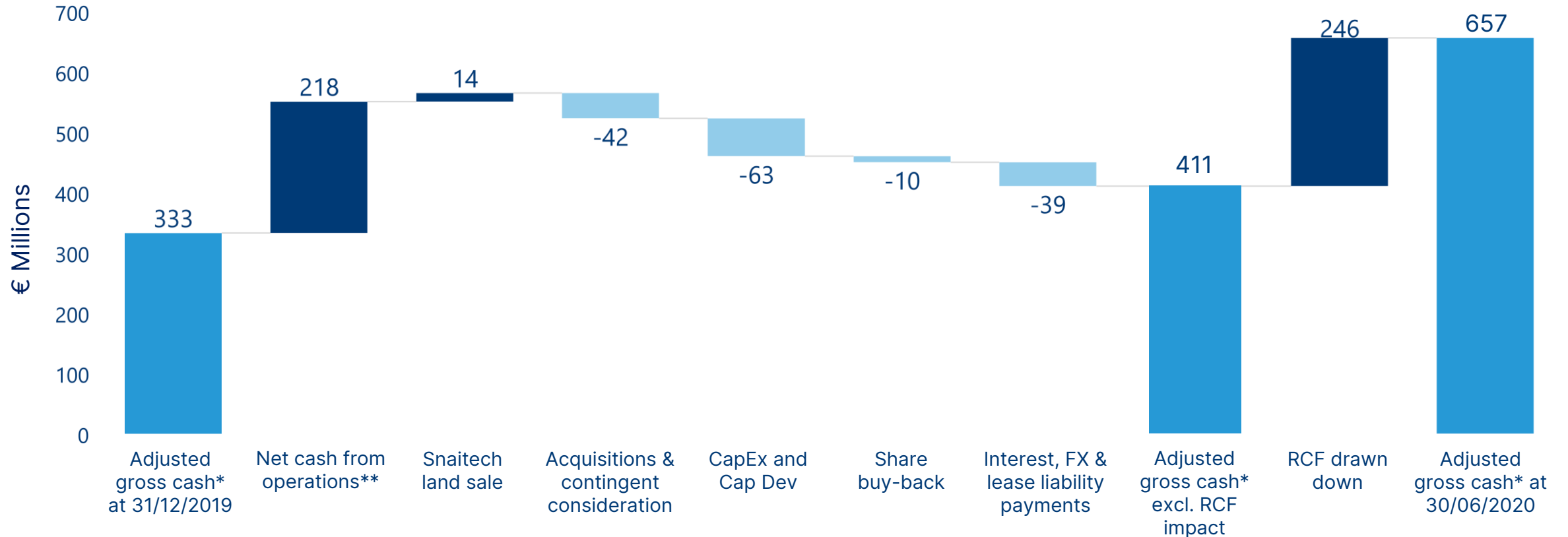
## Group

	Adjusted			Excl. Acquisitions		
	H1 2019*	H1 2020	%	H1 2019*	H1 2020	%
<b>Adjusted EBITDA</b>	<b>192.9</b>	<b>162.3</b>	<b>-16%</b>	<b>194.8</b>	<b>164.3</b>	<b>-16%</b>
- Depreciation & Amortisation	(78.4)	(79.2)	1%	(78.1)	(78.8)	1%
- Net finance costs	(20.4)	(31.4)	54%	(20.1)	(31.2)	55%
- Tax	(16.4)	(8.2)	-50%	(16.1)	(8.5)	-47%
- Gain from Associate & JV	1.9	0.7	-63%	1.9	0.7	-63%
Non-controlling interest	(1.2)	0.1	n/a	(1.2)	0.1	n/a
<b>Net Profit attrib. to owners of parent</b>	<b>78.4</b>	<b>44.3</b>	<b>-44%</b>	<b>81.2</b>	<b>46.6</b>	<b>-43%</b>
Shares Outstanding (millions)	307.4	297.5	-3%	307.4	297.5	-3%
<b>Basic EPS (cents)</b>	<b>25.5</b>	<b>14.9</b>	<b>-42%</b>	<b>26.4</b>	<b>15.6</b>	<b>-41%</b>

\* H1 2019 numbers have been restated to reflect the reclassification of discontinued operations

# Adjusted cash bridge

## Free cash flow positive; liquidity improved



\* Adjusted gross cash denotes cash adjusted for client funds and progressive jackpots

\*\* Net cash from operations includes adjustment for cash within discontinued operations

# Contingent consideration

## Group

Acquisition	Maximum payable earnout (per terms of acquisition)	Contingent consideration and redemption liability (as at 30.06.2020)	Payment date (based on maximum payable earnout)
Playtech BGT Sports Ltd	n/a – Earnout assessment period complete	€20.8 million	€8.3 million Q3 2020 €12.5 million Q4 2020
HPYBET Austria GmbH	€15.0 million	Nil	Q2 2021
Bet Buddy	€1.3 million	€1.3 million	Q4 2020
Eyecon Limited	€24.7 million	Nil	Q2 2021
Wplay	€21.3 million	€20.1 million	€16.1 million Q3 2020 €4.4 million Q4 2022 €0.8 million Q4 2024
Statscore	€15.0 million	€3.7 million	€5.0 million Q1 2023 €10.0 million in Q1 2026
Other	€7.0 million	€1.3 million	
<b>Total</b>	<b>€84.3 million</b>	<b>€47.2 million</b>	

Thank you

