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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

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

2022 Post-close Trading Update and Directorate Change

FY pro forma revenue of £1.85 billion and Adjusted EBITDA in-line with expectations

888 (LSE: 888), one of the world's leading betting and gaming companies with internationally renowned brands including 888, William Hill, Mr Green and SI Sportsbook, today announces a post-close trading update for the 12 months ending 31 December 2022 ("FY22" or the "Period").

The acquisition of the international (non-US) business of William Hill completed on 1 July 2022, and as such, in order to aid comparability, the financial results and associated commentary presented in this statement, unless otherwise stated, reflect the pro forma results as if 888 had owned William Hill for each of the periods below. The financial results exclude the 888 Bingo business, the sale of which completed on 7 July 2022.

£ millions	Three months ended December ^{1,2}			Year ended December ^{1,2}		
	Q4 2022	Q4 2021	YoY%	FY22	FY21	YoY%
Online	326	345	-5%	1,332	1,570	-15%
Retail	131	125	+5%	519	337	+54%
Total Revenue	458	470	-3%	1,850	1,907	-3%

Q4 Financial highlights

- Trading during the fourth quarter of 2022 was in-line with Board expectations with Q4 revenue of £458 million, 2% above Q3 2022, reflecting the positive impact of the additional days trading to align reporting periods¹
- Online revenues stable compared to Q3 2022, and 5% lower than the prior year, with a continuation of the trends seen in the first nine months of the year, with strong performances across a number of regulated countries being offset by the impact of proactive enhanced player safety measures within the UK Online segment
- Retail revenues of £131 million were up 5% compared to the prior year and up 6% compared to Q3 2022 as the well optimised retail estate continues to perform strongly
- The World Cup contributed to a successful fourth quarter, and was also a strong period for both acquisition of new customers and engagement of existing customers across online and retail, with online player days at William Hill up 22% compared to Euro 2021
- Successful pricing of £347 million equivalent of new debt, with the proceeds used to repay the existing indebtedness under the sterling-denominated Term Loan A. Following additional hedging arrangements, the Group ended the year with £1.8 billion equivalent debt, with 43% of effective debt in Sterling, 49% in Euros and 8% in USD, with approximately 70% of interest costs fixed for at least three years. As at 31 December 2022, cash (net of customer balances) was £170 million, with undrawn committed facilities of £150 million, giving total liquidity of £320 million

Pro forma FY22 financial highlights

- Revenue of £1.85 billion, in-line with guidance
- Online revenue of £1.3 billion, down 15%, with revenues impacted by proactive enhanced player safety measures within the UK Online segment, and the closure of the Netherlands, with revenues outside these territories down 4%, principally reflecting the strong comparative period and refined market focus

- Retail revenues of £519 million, up 54% YoY, reflecting a full year of trading in 2022 relative to partial closures during the first half of 2021. Average revenue per shop was up 7% relative to 2019
- FY22 Adjusted EBITDA is expected to be in-line with the guidance range of £305-315 million

Outlook

The outlook for 2023 is unchanged, with group revenues expected to be lower by a low single digit percentage, and an Adjusted EBITDA margin of at least 20%, with a strong focus on integration and execution of cost synergies during the year. This is consistent with the “Plan” phase of the Group’s “Position-Plan-Potential” roadmap that was outlined with its Capital Market Day on 29 November 2022. There is no change in the 2025 targets of at least £2 billion of revenue, an Adjusted EBITDA margin of at least 23% and more than 35p Adjusted EPS.

The Group intends to release its full year results for the year ended 31 December 2022 in late March 2023.

Directorate Change

888 today also announces that the Board and Yariv Dafna, Chief Financial Officer and Executive Director, have mutually agreed that he will step down following the publication of the Group’s FY22 results. Yariv has made significant contributions to 888’s progress in recent years, including through its transformational combination with William Hill.

Yariv will step down from his role as Chief Financial Officer and as an Executive Director on 31 March 2023. The Board has commenced a search to identify a successor.

Itai Pazner, CEO of 888, commented:

“The Board and I would like to thank Yariv for the contribution he has made to 888 including playing a crucial role in the completion of our transformational combination with William Hill and leading the recent successful financing of 888’s external debt. On behalf of everyone at 888, I wish him the very best in his future endeavours.

During the fourth quarter of 2022 our teams continued to make rapid progress in integrating these two highly complementary businesses, and have started the process to migrate Mr Green to our proprietary global tech stack, as we execute against our strategic roadmap that we outlined at our recent capital markets day.

Revenues during the fourth quarter saw continued strong trading in retail, and a robust performance online. As previously discussed, we continue to see pressure on our UK online revenues from regulatory change including the ongoing impact of the enhanced player safety measures, but I am confident we are building a sustainable leading business for the future.

As we look forward, we remain focused primarily on successful integration, execution and de-leveraging in order to unlock the potential from our enlarged business.”

Notes

¹ William Hill financials were previously reported on a 52 week basis opposed to calendar year. For the year ended 31 December 2022 and to align to calendar year reporting an adjustment has been made to include the additional four days from 28 to 31 December 2022. This increases Q4 and FY 2022 revenue by approximately £9m but is currently expected to have no impact at an EBITDA level. No adjustment has been made in respect of the prior periods.

² 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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About 888 Holdings Plc:

888 Holdings plc (and together with its subsidiaries, "888" or the "Group") is one of the world's leading betting and gaming companies. In 2022, the Group acquired the international (non-US) business of William Hill to create a global industry leader. Headquartered in Gibraltar, and listed in London, the Group operates from 15 offices around the world and employs over 12,000 people globally.

The Group'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. It achieves this by developing state-of-the-art technology and content-rich products that provide fun, fair, and safe betting and gaming entertainment to customers around the world.

The Group owns and operates internationally renowned brands including 888casino, 888sport, 888poker, William Hill and Mr Green. In addition, the Group operates the SI Sportsbook brand in the US in partnership with Authentic Brands Group.

Find out more at:

<http://corporate.888.com/>

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