



28 April 2021

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

**Q1 2021 Trading Update**

*Revenue growth of 56% driven by strong growth in regulated markets*

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 2021 (Q1 2021). Comparative figures in this Trading Update are provided in US\$ on a year-on-year basis and in constant currency against Q1 2020, unless otherwise stated.

\$ millions	Q1 2021	Q1 2020	YoY %	YoY % at constant currency
B2C revenue	262.8	156.9	67%	57%
B2B revenue	9.7	7.7	27%	20%
<b>Total revenue</b>	<b>272.5</b>	<b>164.6</b>	<b>66%</b>	<b>56%</b>

- Revenue growth of 56%, driven by product-leadership strategy, long-term positive customer acquisition trends, and continued expansion in regulated markets
- B2C revenue increased 57% to \$262.8 million, led by growth in Casino (68%) and Sport (53%), with continued growth in both Poker (10%) and Bingo (8%)
- Successful deployment of 888's in-house sports betting platform, which is now delivering the majority of sports volumes
- Control Centre, 888's innovative safer gambling suite, has continued to roll out across further products and countries as part of 888's ongoing investment in safer gambling initiatives
- 27% growth in average daily first time depositors ("FTDs"), and 18% increase in funded active players<sup>1</sup>
- Growth driven by regulated and taxed markets, which contributed 76% of revenue (2020: 73%), with strong growth in the UK, Italy, Spain, Romania and Portugal
- Strong cash generation and robust balance sheet

**Outlook**

The first quarter performance was ahead of board expectations, with continued strong momentum across the business, and favourable exchange rate movements. For the remainder of 2021, year-on-year trends will be impacted by a tougher comparative period, the previously disclosed expected impact of regulatory and compliance changes, and the impact of the reopening of retail and leisure venues across our markets. The Group continues to increase investment in product and marketing to support its long-term growth plans, and as a result, the Board expects adjusted EBITDA for the full year to be broadly consistent with the prior year, despite increased investment in US B2C expansion.

**Itai Pazner, CEO of 888, commented:**

*"The strong momentum in 2020 has continued into the first quarter of 2021, with a new all-time-high for FTDs and revenues, although year-on-year trends were partly inflated by the disruption to sporting events at the end of the prior year period, and increased demand for digital entertainment during this period across our main markets.*

*Our differentiated products and our data-driven marketing continued to underpin strong progress, supported by a favourable industry backdrop. We are particularly pleased with the strong performance of our new proprietary 888sport platform, which is already servicing the majority of bets while maintaining strong customer service levels and highly effective risk management and trading.*

*We are excited about the US, where we plan to roll out sports into further states in the next few months, and launch our upgraded poker platform into further states in partnership with Caesars and their leading and hugely popular WSOP brand.*

<sup>1</sup> Funded active players are B2C players that wagered a positive amount during the period, and have placed at least one deposit during their lifetime

We remain very pleased with the strong momentum in the business and the continued positive customer reaction to our suite of new products and innovations. As a result, and underpinned by the Group's strengths as a product-centric, responsible, and diversified operator, the Board believes that 888 has an outstanding platform to deliver continued strategic progress during 2021 and beyond."

## Product analysis

Revenue (\$ millions)	Q1 2021	Q1 2020	YoY %	YoY % at constant currency
Casino	195.2	108.7	80%	68%
Sport	41.6	25.5	63%	53%
Poker	14.7	13.0	13%	10%
Bingo	11.4	9.8	16%	8%
<b>Total B2C revenue</b>	<b>262.8</b>	<b>156.9</b>	<b>67%</b>	<b>57%</b>
B2B revenue	9.7	7.7	27%	20%
<b>Total revenue</b>	<b>272.5</b>	<b>164.6</b>	<b>66%</b>	<b>56%</b>

## B2C

888casino continued to achieve strong growth, driven by the success of the Group's investment in its casino product over recent years, ongoing development of its artificial intelligence (AI) driven personalisation, and continued expansion of its content. Major new content launches in the period included a suite of games from Playtech, including further expansion of 888's live dealer range. 888's proprietary in-house content studio, Section 8, continued to deliver top quality exclusive new games, with *Mad Max Fury Road* launching in February and quickly becoming a top 20 performing game.

The majority of 888sport volumes were successfully migrated to its in-house platform, with almost no interruption to customers. 888sport stakes increased by 38%, with the enhanced customer proposition also supporting record levels of FTDs. The betting net win margin was 8.0%, compared to 6.8% in the prior year, reflecting a combination of favourable sporting results and a structural improvement in win margin due to the enhanced product and promotional capabilities of our in-house platform.

Poker revenues increased by 10%, and were consistent with the fourth quarter of 2020, with ongoing strong customer reaction to the award-winning Poker8 product, and sustained successful marketing with the "Made to Play" marketing campaign.

Bingo revenues increased by 8%, with growth supported by a new improved home page, and AI features delivering an enhanced personalised experience to players.

## B2B

Revenue from 888's B2B division increased by 20% to \$9.7 million, with both Bingo and U.S. operational segments delivering growth.

## Q1 conference call details

The Group will host an analyst and investor call today, Wednesday 28 April 2021, at 9.00am (BST). Participants may join via audio webcast.

Live audio webcast link: <https://brrmedia.news/7meb4g>

A replay will be available on our website shortly after: <https://corporate.888.com/investor-centre/>

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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 develop state-of-the-art technology and products that provide fun, fair and safe digital gambling products to players globally. Safer gambling is a core focus for the Group and, at the beginning of 2020, 888 launched its '*Safer. Better. Together*' safer gambling strategy and commitments.

888 has been at the forefront of the online gaming industry since foundation in 1997, leveraging its proprietary technology to provide to players and B2B partners an innovative and world-class online gaming experience.

In 2020, the company was proud to be recognised at the 2020 Gaming Intelligence awards as winner in the *Casino Operator of the Year* category. In 2020, 888 also won two prestigious awards for its poker platform at the 2020 Poker Listings Operator Awards in the *Most Improved Software* and *Best Beginner Software* categories.

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.

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](http://www.888.com).

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