

## ENTAIN AND MGM RESORTS INTERNATIONAL

### BETMGM BUSINESS UPDATE

#### FY22 NET REVENUE FROM OPERATIONS OF \$1.44 BILLION, AHEAD OF EXPECTATIONS<sup>1</sup>

*BetMGM expected to be EBITDA positive in the Second Half of 2023*

BetMGM LLC (“BetMGM”), one of the leading sports betting and iGaming operators across North America, jointly owned by Entain plc (LSE: ENT) (“Entain”) and MGM Resorts International (NYSE: MGM) (“MGM Resorts”) is today providing an update on performance and outlook for 2023.

- BetMGM finished FY 2022 with a strong financial performance
  - Net revenue from operations of \$1.44 billion, ahead of prior guidance of over \$1.3 billion
    - Same-state growth in net revenue from digital operations of 51%
  - EBITDA loss of approximately \$440 million, in line with prior guidance<sup>2</sup>
  - Financial outperformance driven by:
    - Higher gross gaming margins resulting from improved customer experience and other product improvements
    - Same state CPAs reduced by 21% year-over-year due to data-focused marketing strategy and increased scale
    - Improved approach to player bonusing delivered by our data science team
- BetMGM has established itself as a leading sports betting and iGaming operator in North America
  - Top 3 operator in the U.S. for sports betting and iGaming
    - Continued market leadership in iGaming with approximately 30% market share<sup>3</sup>
    - Online sports betting market share of 13%, with 20% share in markets where BetMGM was live on day one<sup>3</sup>
    - Our Q4 2022 online sports net revenue margin has doubled versus Q4 2021 as we continue to optimize our bonus environment
  - Live in 25 jurisdictions with access to approximately 45% of the adult population in the United States as well as now operating in Ontario, Canada<sup>4</sup>
    - Expanded online footprint in 2022 with launches in six new markets: New York, Louisiana, Illinois, Ontario, Kansas, and Maryland
    - Opened four new retail sportsbooks: Nationals Park in Washington, DC, Casino del Mar in Puerto Rico, The Cosmopolitan in Las Vegas, and at State Farm Stadium, the first retail sportsbook at an NFL stadium and home of the 2023 Super Bowl
    - Launched in Ohio on January 1, 2023, with online sports betting and two retail sportsbooks at MGM Northfield Park and at the Reds’ Great American Ball Park
  - Furthered our commitment to industry leadership in promoting player safety and responsible gaming
    - Created the first industry-led online responsible gaming standards in collaboration with a coalition of other online gaming operators

- Increased funding for gaming research, joined the National Council on Problem Gambling and prioritized customer service across all facets of our business
    - Implemented the award-winning responsible gaming program, GameSense, companywide
    - Committed to continuously expanding our product tools to proactively monitor customers and curate messaging to ensure safe and responsible play
  - Winner of several industry awards including: Casino Operator of the Year by EGR North America; Casino Operator of the Year at SBC Awards North America; Online Casino of the Year by the American Gambling Awards; and identified as one of the Best Workplaces in New York by Fortune
- BetMGM is well positioned to achieve net revenue from operations of between \$1.8 and \$2 billion in FY 2023 and be EBITDA positive in the second Half of 2023
- Wholly supportive of BetMGM's stellar performance and with confidence in management's plan, Entain and MGM Resorts expect to invest a combined additional \$150 million in FY 2023
  - This brings the total combined investment to build the company in less than 5 years to approximately \$1.25 billion

**Adam Greenblatt, CEO of BetMGM, commented:**

“The talented team at BetMGM continues to execute our plan with purpose, passion, and discipline. 2022 was a year in which we delivered against many key strategic initiatives and achieved several company milestones, including exceeding our financial targets, launching a redesigned BetMGM mobile app and furthering our commitment to Responsible Gambling. With continued and unwavering support from our shareholders, we look to 2023 confident in achieving further key milestones, including \$1.8 to \$2 billion in net revenue from operations and being-EBITDA positive in the Second Half of 2023.”

Notes

- (1) FY 2022 net revenue for BetMGM on a GAAP basis is expected to be approximately \$1,403 million, which includes approximately \$55 million related to Nevada MGM operations for which BetMGM records on a net basis as BetMGM is considered to be the agent in the Nevada transactions for GAAP purposes.
- (2) FY 2022 EBITDA loss is an unaudited estimate.
- (3) Market share for last three months ending October 22 by GGR including only U.S. markets where BetMGM was active; internal estimates used where operator-specific results are unavailable.
- (4) BetMGM operates iGaming and Online Sports Betting in five markets and Sports Betting only in twenty markets.

Conference Call

BetMGM will host a conference call at 3.00pm UK (10.00am EST) today, which will include an overview of its results, followed by a Q&A session.

The live webcast will be accessible at [Webcast Registration](#).

For those wishing to ask a question, please register at [Dial-in Registration](#). Upon registration, dial-in details and a personalised PIN will be provided.

A replay of the call will be available at <https://entaingroup.com/investor-relations/results-centre/>

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## **Forward-looking statements**

This document contains certain statements that are forward-looking statements. They appear in a number of places throughout this document and include statements regarding our intentions, beliefs or current expectations and those of our officers, directors and employees concerning, amongst other things, results of our operations, financial condition, liquidity, prospects, growth, strategies and the business we operate. These forward-looking statements include all matters that are not historical facts. By their nature, these statements involve risks and uncertainties since future events and circumstances can cause results and developments to differ materially from those anticipated. Any such forward-looking statements reflect knowledge and information available at the date of preparation of this document. Among the important factors that could cause actual results to differ materially from those indicated in such forward-looking statements include the significant competition within the gaming and entertainment industry; BetMGM's ability to execute on its business plan; changes in applicable laws or regulations, particularly with respect to iGaming and online sports betting; BetMGM's ability to manage growth and access the capital needed to support its growth plans; and BetMGM's ability to obtain the required licenses, permits and other approvals necessary to grow in existing and new jurisdictions. In providing forward-looking statements, Entain is not undertaking any duty or obligation to update these statements publicly as a result of new information, future events or otherwise, except as required by law. Other than in accordance with its legal or regulatory obligations (including under the Market Abuse Regulation (596/2014), the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Rules), Entain undertakes no obligation to update or revise any such forward-looking statements. Nothing in this document should be construed as a profit forecast. Entain and its directors accept no liability to third parties in respect of this document save as would arise under English law.

## **Non-GAAP Financial Information**

This press release includes net revenue from operations, which has not been prepared in accordance with GAAP. BetMGM believes this presentation, which it uses for its own analysis of operations, is useful in that it reflects the true economic performance of the business. If BetMGM presented net revenue from operations in accordance with GAAP, then BetMGM would present the revenues associated with its Nevada digital and retail sports betting operations different, until such time as BetMGM is licensed as a Nevada gaming operator. Currently under GAAP, its calculation of Net Revenue would be on a basis net of operating costs, such that the GAAP reported Net Revenue would be lower than the Net Revenue reported herein, with Net Income remaining the same.

### **About BetMGM**

BetMGM is a market leading sports betting and gaming entertainment company, pioneering the online gaming industry. Born out of a partnership between MGM Resorts International (NYSE: MGM) and Entain Plc (LSE: ENT), BetMGM has exclusive access to all of MGM Resorts' U.S. land-based and online sports betting, major tournament poker, and online gaming businesses. Utilizing Entain's U.S.-licensed, state-of-the-art technology, BetMGM offers sports betting and online gaming via market leading brands including BetMGM, Borgata Casino, Party Casino and Party Poker. Founded in 2018, BetMGM is headquartered in New Jersey. For more information, visit <http://www.betmgm.com/>

### **About Entain plc**

Entain (LSE: ENT) is a FTSE100 company and is one of the world's largest sports-betting and gaming groups, operating both online and in the retail sector. The Group owns a comprehensive portfolio of established brands; Sports brands include BetCity, bwin, Coral, Crystalbet, Eurobet, Ladbrokes, Neds, Sportingbet, Sports Interaction and SuperSport; Gaming brands include Foxy Bingo, Gala, GiocoDigitale, Ninja Casino, Optibet, Partypoker and PartyCasino. The Group owns proprietary technology across all its core product verticals and in addition to its B2C operations provides services to a number of third-party customers on a B2B basis.

The Group has a 50/50 joint venture, BetMGM, a leader in sports betting and iGaming in the US. Entain provides the technology and capabilities which power BetMGM as well as exclusive games and products, specially developed at its in-house gaming studios. The Group is tax resident in the UK with operations in over 40 regulated or regulating territories. Entain is a leader in ESG, a member of FTSE4Good, the DJSI and is AA rated by MSCI. The Group has set a science-based target, committing to be carbon net zero by 2035 and through the Entain Foundation supports a variety of initiatives, focusing on safer gambling, grassroots sport, diversity in technology and community projects. For more information see the Group's website: [www.entaingroup.com](http://www.entaingroup.com)

### **About MGM Resorts International**

MGM Resorts International (NYSE: MGM) is an S&P 500® global entertainment company with national and international locations featuring best-in-class hotels and casinos, state-of-the-art meetings and conference spaces, incredible live and theatrical entertainment experiences, and an extensive array of restaurant, nightlife and retail offerings. MGM Resorts creates immersive, iconic experiences through its suite of Las Vegas-inspired brands. The MGM Resorts portfolio encompasses 32 unique hotel and gaming destinations globally, including some of the most recognizable resort brands in the industry. The Company's 50/50 venture, BetMGM, LLC, offers U.S. sports betting and online gaming through market-leading brands, including BetMGM and partypoker. The Company is currently pursuing targeted expansion in Asia through the integrated resort opportunity in Japan. Through its "Focused on What Matters: Embracing Humanity and Protecting the Planet" [philosophy](#), MGM Resorts commits to creating a more sustainable future, while striving to make a bigger difference in the lives of its employees, guests, and in the communities where it operates. The global employees of MGM Resorts are proud of their company for being recognized as one of FORTUNE® Magazine's World's Most Admired Companies®. For more information, please visit us at [www.mgmresorts.com](http://www.mgmresorts.com). Please also connect with us @MGMResortsIntl on [Twitter](#) as well as [Facebook](#) and [Instagram](#)