

Excellent progress on our strategic priorities



Mor Weizer
Chief Executive Officer

Playtech's crisis management team continues to lead a comprehensive response to the crisis in Ukraine, with the safety of the Group's employees and their families being the priority.

Overview

Playtech made strong progress on its strategic priorities throughout 2021, leaving the Group well positioned to capture the exciting market opportunity ahead. The Company continues to focus on regulated and newly regulating markets.

Playtech continued to accelerate its US presence in 2021. The US is a highly strategic market for Playtech and represents a significant long-term opportunity across its full product suite. In 2021 the Company opened state-of-the-art Live Casino facilities in both Michigan and New Jersey. The Group announced strategic agreements with the Greenwood companies, which operate the Parx Casino in Pennsylvania, to license its products in four US states which include Michigan, where Parx launched online casino on Playtech's IMS Platform and Player Account Management (PAM) software and subsequently launched Playtech's Live Casino product. Playtech also received licences to operate in Arizona and Mississippi and is progressing with the licensing process in additional US states.

The Group will continue to increase its investment in the US market in order to take advantage of a strong pipeline of opportunities with potential new customers and existing customers from other markets.

In Latin America, Playtech continued to strengthen its market leadership as Caliente continued its excellent growth in Mexico and Wplay saw very strong growth in Colombia. The Group also launched in Costa Rica and Panama during 2021. Playtech also signed an exciting strategic agreement in Brazil ahead of expected regulation. The Company is progressing plans to develop a new Live Casino facility in Peru, which is expected to launch in 2022, as it continues to expand its addressable market across Latin America. In 2021, the Group recognised a significant unrealised gain in relation to the fair value of the Group's options in Latin America. The gain relates to holdings in Caliente, Wplay and others and highlights the value of the Group's strategic agreements in Latin America.

The Group's B2B Gambling division continued to add customers, including attracting new customers in both regulated and soon to be regulated markets. Playtech signed an exciting new long-term agreement with Holland Casino, the state-owned land-based casino operator in the Netherlands, ahead of the market's launch in October 2021. The agreement, which includes Playtech's full suite of products, also included the construction of a Live Casino facility which launched in Q4 2021.

To continue diversifying its B2B division, Playtech progressed discussions on further new strategic agreements and joint ventures, while also adding over 100 new brands to its SaaS offering. Playtech has now added over 250 new brands since launching the SaaS offering back in 2019.

Within B2C Gambling, while impacted by retail closures for almost half of the year, Snaitech's Adjusted EBITDA grew 38%, highlighting the attractiveness of its flexible business model and the growing strength in online. Snaitech's online business saw revenue growth of 45% compared to 2020 and Adjusted EBITDA growth of 54%. Furthermore, Snaitech achieved the number one market share position by brand in the Italian sports betting market (retail and online combined measured by GGR) in 2021 and this business continues to go from strength to strength.

Playtech continued to execute its Sustainable Success strategy in 2021, the highlights of which are detailed below and include the establishment of a Sustainability and Public Policy Committee to provide Board-level oversight on key non-financial strategy, commitments, targets and reporting matters. Playtech also launched a £3 million COVID-19 Recovery and Resilience Fund in partnership with the Charities Aid Foundation (CAF) to support over 50 organisations across 10 countries to date. The Company has continued to progress its strategic initiatives via its newly formed Executive Committee of senior management, comprising three female and seven male members, and it continues to implement changes throughout the organisation to drive progress towards its gender diversity targets.

As part of the Group's simplification strategy, the last remaining Casual Gaming assets were disposed of in early 2021 and the completion of the sale process of Finalto is expected in Q2 2022. Once this process is completed, Playtech will be a simpler business, focused on the attractive markets of B2B Gambling and B2C Gambling.

Playtech's employees are at the heart of its success and have remained cohesive and collaborative despite the continued uncertainty surrounding the Company. The hard work and commitment of Playtech's people has contributed significantly to this positive trading performance.

Ukraine crisis

Playtech has over 700 employees based in Ukraine and the Group's crisis management team continues to lead a comprehensive response to the crisis with the safety of the Group's employees being the priority.

Playtech is making every possible effort to support employees and their families during the crisis. The support includes assisting with relocation to safer parts of the country or to other countries. Playtech has built an organisational structure to support the employees including 24/7 transportation services, accommodation support for those displaced, emergency supplies and shelter, logistical assistance and a 24/7 communication hotline, as well as mental health and wellbeing support. Hundreds of volunteers across the

Company are working to help however possible including keeping in continuous contact with their colleagues.

Playtech has robust business continuity plans which were activated immediately to minimise disruption to the business. The B2B business has employees from a variety of functions based in Ukraine but none of those functions are wholly run from the country. As well, any critical infrastructure in Ukraine was relocated prior to the crisis as part of our risk management process.

B2B Gambling Regulated markets

The strategic focus of Playtech's B2B Gambling business continues to be on opportunities in regulated or soon to be regulated markets, with a focus on high growth markets such as the US, Latin America and certain parts of Europe.

Regulated markets saw growth of 16% compared to FY 2020 and 25% when looking at online only, once again driven by excellent revenue growth from Caliente in Mexico, as well as strong growth in other regulated markets such as Italy, Poland, Greece and Colombia.

The Americas

Revenue from the Americas continued to grow impressively, with 2021 revenue up 64% at constant currency compared to 2020, driven by outstanding growth from Caliente as well as increasing contributions from other customers.

In the US, Playtech continues to expand its presence. In Q1 2021, the Company signed strategic agreements with various subsidiaries of Greenwood Racing Inc. which own and operate the Parx Casino in Pennsylvania. The agreements include the licensing of Playtech products to the Greenwood companies in the states of Michigan, Indiana, New Jersey and Pennsylvania.

In Michigan, Parx launched online casino on Playtech's IMS Platform and Player Account Management (PAM) software in Q2 and went on to launch Playtech's Live Casino product in Q4. Parx will continue to launch in further states and with additional products going forward. Playtech also launched Live Casino with Bet365 in New Jersey in Q4 as it continued to accelerate the distribution of its live dealer product.

With physical expansion of the Company's infrastructure being a key part of its strategy, Playtech launched its first US Live Casino facilities in late 2021, with state-of-the-art studios launching in both Michigan and New Jersey. Further expansion is in progress in New Jersey and another facility is under construction in Pennsylvania. The Company has significantly expanded its operational and back-office teams in the US in order to accelerate its presence in the region.

Playtech also signed a global iGaming distribution partnership with Scientific Games which will enable both parties to mutually benefit from each other's scale and reach across the US, as well as other regulated markets. The Company also announced a strategic partnership with Novomatic Americas to jointly market, sell and distribute sports betting products in the US.

The regulatory landscape in the US is ever progressing. Since the repeal of PASPA in 2018, numerous states have approved legislation to legalise sports betting. Many of these markets have already launched in both online and retail channels, with others expected to launch soon. In 2021, Playtech received further licences in the US and can now incrementally launch its online and retail sports betting products in Arizona, and its retail sports product in Mississippi. In early 2022 Playtech received a licence for Pennsylvania.

Online casino, which was not subject to PASPA, is allowed at the discretion of individual states. The tribes of Connecticut most recently received federal approval to operate online casino games, while Michigan launched in 2021, joining New Jersey, Pennsylvania, Delaware and West Virginia, while Nevada allows online poker only.

During 2021, the Group recognised a significant unrealised gain in relation to fair value of the Group's options in Latin America. The gain relates to holdings in Caliente, Wplay and others and highlights the value of the Group's strategic agreements in Latin America.

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Chief Executive Officer's review continued

B2B Gambling continued

The Americas continued

In Latin America, Playtech saw excellent growth from Caliente and this business continues to outperform. Wplay saw very strong growth in 2021 and is well positioned to continue its growth and capitalise on the exciting opportunity in Colombia in the years ahead. During the year, Playtech continued to execute on other strategic agreements in Latin America and launched its IMS platform alongside Casino, Live and Sports products in Panama, as well as launching its Bingo product in Costa Rica.

Playtech is also opening a new Live Casino facility in Peru as it continues to extend its presence across the region, in order to better serve its existing clients in Latin America, as well as in anticipation of the continued regulation and strong growth expected in the region in the years ahead. Construction of the Peru facility is underway with a launch expected in 2022.

Elsewhere in Latin America, sports betting legislation has been passed in Brazil, which is expected to be implemented in the near future. Brazil is anticipated to be a significant market given the large population and its access to the mobile channel. The Company has an exciting strategic agreement in place with Galerabet, with economics similar to its other arrangements in Latin America, in anticipation of regulation in this market.

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Europe

In Europe, B2B revenue growth of 25% at constant currency was driven by strong growth in several countries including Italy, Poland and Greece.

During 2021 Playtech signed a new, expanded long-term strategic software and services agreement with Holland Casino, the state-owned land-based casino operator in the Netherlands. Having launched successfully in October following the market regulating, Playtech now supplies Holland Casino with a full turnkey multi-channel technology package, as well as certain ancillary services. The agreement includes the IMS platform, Sports betting, Online Casino, Live Casino, Poker and Bingo products, plus selected operational and marketing services. The agreement includes a Live Casino facility in the immediate vicinity of one of Holland Casino's existing locations which launched in Q4 2021.

Elsewhere in Europe, the Company launched a Live Casino facility in Switzerland as part of its agreement with Swiss Casinos. Further, Playtech extended its Live studio in Madrid, demonstrating the significant physical expansion of its Live Casino infrastructure across Europe.

Playtech's Live Casino business added several new customers including LeoVegas in Spain and went live with, among others, 888 and Betsson, each in multiple territories. Playtech's Casino business launched with several new customers across Europe and signed agreements to expand into new territories with its existing customers, for example in Croatia with Fortuna.

Regulation in Europe continues to evolve and regulated markets in the region represent significant growth opportunities. Netherlands and Germany, both top ten markets in Europe, progressed on their respective regulatory resolutions with the Netherlands market opening on 1 October 2021. Playtech is now well positioned in the Netherlands through its agreement with Holland Casino, which went live in October 2021.

● To read more about Regulation in Europe, please refer to pages 41 and 42

UK

UK revenues saw a decline of 15% at constant currency compared to FY 2020, driven by previously announced changes to a customer contract with Entain and were further impacted by retail closures due to the COVID-19 pandemic. Retail closures, which were in place for the majority of H1 2021, significantly impacted Playtech's B2B sports business which is heavily weighted towards retail via its self-service betting terminals (SSBTs).

Betting shops began to reopen in mid-April. Activity levels continued to gradually improve following reopening as various lockdown restrictions were eased and the momentum continued into H2 2021.

Playtech continued to extend its presence in the UK with several new customer signings, including Les Ambassadeurs Online, and numerous go-lives including Sky Vegas on its Live Casino product.

Playtech's Live Casino business saw strong growth in the UK in 2021, while the B2B online casino business continued its positive geographic diversification. This was driven by a marginal slowdown in UK activity, as well as significant growth in other regions as described above, such as Mexico, Italy and Poland.

The UK remains a key regulated market for Playtech given its longstanding relationships with major operators. Playtech has been actively involved in discussions around safer game design and online advertising and, through the

industry trade body the Betting and Gaming Council (BGC), is co-leading a working group on the subject. Playtech expects that its commitment to safer gambling and its use of technology and data to support its licensees in this area will see it remain the go-to platform for regulated markets including the UK.

● To read more about Regulation in the UK, please refer to page 42

Other unregulated (excl. Asia)

The Group's strategy to focus on both regulated and regulating markets includes unregulated markets which are likely to regulate in the future. Some of these are classified in the "Unregulated excl. Asia" line within B2B Gambling. These unregulated markets (excluding Asia) grew 8% at constant currency versus FY 2020, driven by markets such as Brazil and Canada, offset in part by a decline in Germany, which saw regulatory changes during the year.

Following the progress in the US, regulation advanced in Canada as parliament approved an amendment to Canadian law to allow single-game sports betting at the discretion of individual provinces. As of 27 August 2021, seven provinces including the country's largest province, Ontario, began allowing bets to be placed on single-game sporting events. In a further milestone, as of 4 April 2022, Ontario is due to become the first fully regulated online gambling market in Canada with iGaming due to launch.

As regulation progresses across Canada, it will continue to add to the size of the North America market opportunity. In line with the Company's strategy to target newly regulating markets, Playtech signed a strategic agreement with NorthStar Gaming, which will see the Group launch its IMS platform, Casino, Live Casino, Poker and Bingo technology in Canada.

Unregulated Asia

Unregulated Asia saw revenue growth of 1% compared to FY 2020. Despite lockdown measures in the Company's key markets in Asia at various stages of 2021, performance was aided by the diversification of revenues following actions taken by management in 2020. Revenue from non-Asian distributors saw significant growth while the new distributor the Company added in 2020 also performed strongly. Reflecting the actions taken over recent periods, the Asia business is now more diversified in terms of distributors as well as geographically compared to recent years.

B2B – product developments

In order to continue diversifying its B2B Gambling division, the Group continued to add customers depending on commercial suitability and market dynamics, including attracting new customers in both regulated and regulating markets and progressing discussions on new

strategic agreements and joint ventures, as well as adding new brands using its SaaS offering. Playtech has now added over 250 new brands since the launch of its SaaS model in 2019. Over 100 of those new brands were added during 2021, including 888, Kindred and Novibet.

During the year Playtech completed key strategic partnership product deliveries, including a Mystery Parcel game feature with real-time bonusing that can be used with any Playtech Casino content. Mystery Parcel was rolled out exclusively with Entain at first, with several other licensees including Holland Casino, Snaitech and William Hill now enjoying the feature.

Among various new product developments, Playtech launched its latest online casino "power suite" with Cash Collect™. The Company launched Sahara Riches™ as the first game within the Cash Collect™ suite, with the game's performance in its first week since release being Playtech's second strongest in its history.

Within Live Casino, Playtech continued to roll out new products with existing licensees, including a Who Wants To Be A Millionaire trivia game, which broke the record for the most concurrent players on a Live table in Playtech's history. This game has most notably seen success in the UK, Greece and Italy, and continues to attract traffic to our licensees' sites. The Who Wants To Be A Millionaire suite went on to release a Roulette game in H2, which has also seen a strong performance to date.

As a continuation of the Company's successful Fire Blaze suite of games, the Live Casino team also launched Mega Fire Blaze™ Roulette. In its first month since launch, Mega Fire Blaze™ Roulette significantly outperformed any previous Playtech Live Casino product in both gross gaming revenue (GGR) and wagering terms.

In 2021, the Live Casino business also launched Super Spin Roulette, a bespoke game created to empower our partner Bet365 to differentiate itself from its competitors.

B2C Gambling

Playtech's B2C business includes Snaitech (including HPYBET) and the white label operations, which are primarily Sun Bingo. Overall B2C revenues grew 11% compared to 2020 at constant currency while Adjusted EBITDA grew 39%.

Snaitech Italy

Snaitech revenue was up 12% in FY 2021 compared to FY 2020 while Adjusted EBITDA grew 38%, highlighting the attractiveness of its business model and continued strength in its online business.

At the start of 2021, Snaitech's expectation was that the retail closures in Italy would ease from approximately mid-March. However, given the continuing impact of the pandemic retail shops were forced to remain closed throughout H1 2021. This was against a comparative in 2020 which saw retail closed from mid-March until June and again from late October to the end of the year.

However, while in 2020 Snaitech's online betting business was severely impacted by the lack of sporting events for several months due to the pandemic, in 2021 the business saw sporting events continue largely as planned including the UEFA Euro 2020 championships in the summer of 2021. The continuation of sporting events helped the online business to perform well.

Despite the loss of significant revenue from retail closures, Snaitech's 38% Adjusted EBITDA growth was driven by the strong performance of online betting and gaming and supported by its franchise operating model with a low fixed cost base, as well as the actions taken by management to reduce costs.

On a revenue basis, the online business grew 45%, while at an Adjusted EBITDA level the online business grew 54% to €135.4 million (FY 2020: €87.7 million) during the period as Snaitech saw healthy overall margin expansion.

Furthermore, Snaitech achieved the number one market share position (retail and online combined measured by GGR) across Italian sports betting brands in FY 2021, demonstrating its consistent operational and brand strength.

Finally, Snaitech agreed the sale of surplus land for €20 million, of which €1 million was received on signing in July 2021 with the remainder expected to be received in instalments in 2022 following certain regulatory approvals.

Germany and Austria

HPYBET revenues were largely flat versus 2020, with retail closures in Germany and Austria for significant parts of H1 2021 compared to almost six months of closures spread out over 2020.

During the retail closures due to governmental lockdowns, management began upgrading the technology infrastructure in this business with a view to both drive retail performance and improve online performance in the future. The Snaitech betting platform was activated in HPYBET shops in May 2021 and the integration of HPYBET operations into Snaitech is complete. This business is being operated by Snaitech management and the Group is confident of its prospects going forward.

As discussed in the B2B section above, Germany's Interstate Treaty regulated online slots, online poker and sports betting from 1 July 2021. Playtech is well positioned in this market, having been awarded one of the few available online sports betting licences in Germany through its B2C division HPYBET in October 2020.



Sustainability Strategy 2020–2025

In 2020, Playtech launched its sustainability strategy – Sustainable Success. This is the Company's strategy for bringing the principles of sustainability and responsible business into everything it does. Details on Playtech's commitments can be found on page 44 onwards.

● Read about our sustainability strategy from page 43

Chief Executive Officer's review continued

Safer gambling and sustainability

During 2021, Playtech continued to progress with delivering its sustainability strategy and commitments, which were launched in 2020. The Group published a sustainability progress update on its corporate website in Q4. Some of the highlights are listed below.

ESG governance and engagement

The Board established a new Sustainability and Public Policy Committee, which is responsible for reviewing, monitoring and advising on Playtech's sustainability, responsible business and public policy matters. This includes oversight of a wide range of responsible business topics including ethics, safer gambling, diversity and inclusion, wellbeing, human rights and the Company's climate change strategy. The Committee will also oversee the Company's key non-financial commitments, strategy, targets and reporting at Board level. Playtech also established an external Stakeholder Advisory Panel to challenge and strengthen the Company's approach to sustainability, which has met four times since its formation in Q3.

Enhancing Playtech Protect and safer gambling standards

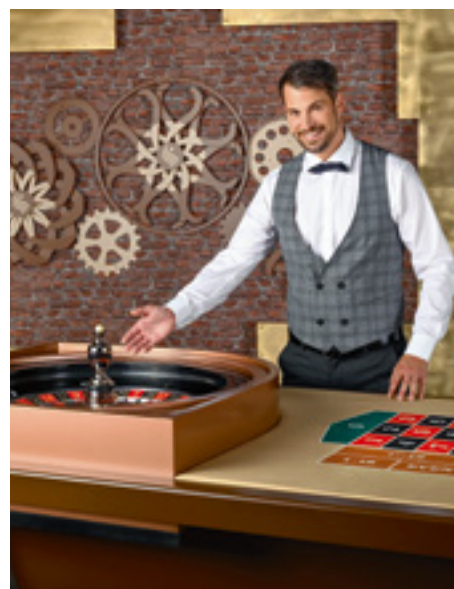
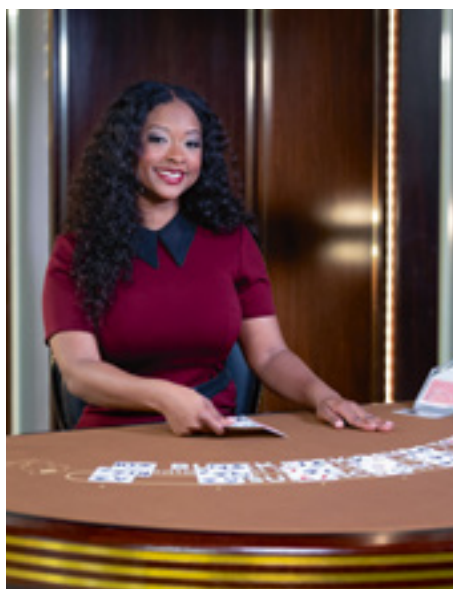
In 2021, Playtech continued to grow its Playtech Protect offering across research, partnerships and innovation and expanded its support for its licensees. Playtech is proud to have secured the first B2B GamCare Safer Gambling Standard in the UK and Snaitech once again secured the G4. Playtech also published research papers covering safer game design, real-time messaging, customer interaction and the impact of auto-play on player behaviours.

Carbon reduction

During 2021 the Company also strengthened its approach to carbon reduction. Playtech established a new environmental working group to direct and oversee its environmental and carbon reduction strategy. This included mapping the Company's Scope 3 emissions, which make up a significant portion of overall emissions. This mapping will also support Playtech's efforts to identify carbon reduction opportunities and to establish a carbon target aligned with science.

Diverse and inclusive culture

Playtech initiated a refresh of its diversity and inclusion objectives, targets and strategy to accelerate progress on gender diversity in leadership levels of the organisation. As announced in September, Playtech is also delighted to have joined the All-In Diversity Project as a founding member. This is an industry-driven initiative to accelerate diversity, equality and inclusion for the global betting and gaming sector.



The Company's Executive Committee comprises 30% female members, up from 0% in 2020, with further improvements to be made in line with the Group's diversity targets.

Mental health impacts of COVID-19

Recognising the significant impact of the pandemic on mental health, Playtech launched a £3 million COVID-19 Recovery and Resilience Fund, in partnership with the Charities Aid Foundation (CAF). The Company is pleased to have approved funding for 50 organisations in 10 countries to date.

Group simplification

Finalto

At 31 December 2020, the Group's financial trading division, Finalto, was classified as a discontinued operation, as the Board continued its strategy to simplify Playtech in order to focus on the Group's core B2B and B2C Gambling businesses.

In May 2021, the Group announced the proposed sale of Finalto to a consortium led by Barinboim Group and backed by Leumi Partners Limited and Menora Mivtachim Insurance

Limited, together with key members of Finalto's management team (together "the Consortium"). The sale for up to US\$210 million was subject to shareholder approval. Prior to the shareholder vote, the Group received a non-binding offer for the Finalto Group from Gopher Investments ("Gopher"). Shareholders voted against the Consortium deal so that the Group could pursue the higher offer from Gopher.

As announced on 18 August 2021, since the resolution to approve the disposal of Finalto to the Consortium was not passed, the Consortium agreed with Playtech to terminate its SPA which allowed the Company to immediately engage with Gopher to progress a potential disposal of Finalto.

Playtech announced on 29 September 2021 that it had agreed an all-cash sale of Finalto to Gopher for US\$250 million with certain conditions attached. The subsequent General Meeting to approve the sale took place on 1 December 2021, and the ordinary resolution was approved by Playtech's shareholders. Playtech expects to complete the sale of Finalto in Q2 2022 following receipt of final regulatory clearances.

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24 March 2022