

BETMGM FIRST HALF 2023 UPDATE



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BetMGM →

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NET REVENUE FROM OPERATIONS OF \$944 MILLION IN FIRST HALF OF 2023¹

POSITIVE EBITDA FOR THE FULL SECOND QUARTER OF 2023²

JERSEY CITY, N.J., July 26, 2023 /PRNewswire/ -- BetMGM, one of the leading sports betting and iGaming operators in North America, jointly owned by Entain plc (LSE: ENT) ("Entain") and MGM Resorts International (NYSE: **MGM**) ("MGM Resorts"), is today providing an update on First Half of 2023 ("1H 2023") performance and outlook for full-year 2023.

Adam Greenblatt, Chief Executive Officer of BetMGM, commented:

"I am pleased with the significant progress we have made during the first half of 2023 as we continue our strong growth and remain on our path to profitability. Our financial guidance for the year remains on track – we expect to deliver \$1.8 to \$2.0 billion in full year revenue, as well as to be EBITDA positive in the second half of 2023. In fact, we have already achieved positive EBITDA for the full second quarter of this year. Our focus remains on building a sustainable, scalable and returns focused business with leading products that our players enjoy responsibly. We look forward to the remainder of the year, buoyed by ongoing product improvements, tremendous support from our shareholders providing access to new assets and partnerships, and – above all – our extraordinary team at BetMGM."

- BetMGM finished 1H 2023 with strong financial performance
 - Net revenue from operations of \$944 million, on track to deliver at the upper end of previous guidance range for FY 2023 revenue of \$1.8 to \$2.0 billion
 - 1H same-state growth of 25% in net revenue from digital operations
 - Reached the key milestone of positive EBITDA for 2Q 2023
 - Improved same state CPAs by 8% in 1H 2023 year on year
 - Bonus optimization and player management program continuing to have significantly positive impact, delivering enhanced GGR to NGR conversion:
 - Sports NGR margin increased by 300 bps in 1H 2023 year on year
 - Digital sports 1H revenue per player up by 65% for players acquired in 2021 or earlier
 - Each of the annual cohorts of digital sportsbooks launched from 2019 through 2022 delivered positive Contribution Profit in 2Q³

- Remain on track for previously stated guidance of EBITDA positive in the second half of 2023 ("2H 2023")
 - Includes investment in upcoming launches in Kentucky and North Carolina that were not originally planned during 2023
 - Expectation that BetMGM will become self-sustaining in 2H 2023, with no additional equity investment expected from MGM Resorts or Entain after the \$150 million previously committed for 2023

- Established as a leading sports betting and iGaming operator in North America
 - Continued geographic footprint expansion in 1H 2023, with new digital sports betting launches in Ohio, Massachusetts, and Puerto Rico
 - Live in 26 jurisdictions, including Ontario, with access to approximately 48% of the adult population in the United States⁴
 - Market share across iGaming and sports betting of 18%⁵
 - Continued market leadership in iGaming with approximately 27% market share⁶
 - Online sports betting market share of 11%, with 13% share in markets where BetMGM was live on day one⁶

- Entain and MGM Resorts contributed new technology, resources, and relationships to accelerate both BetMGM's product evolution and its access to players
 - Entain's acquisition of pricing and risk specialist Angstrom, announced on July 17th, will enhance BetMGM's sports betting offering, particularly in the fast-growing markets of parlay and in-play wagering, and provide players with a greatly improved experience
 - In connection with MGM Resorts' exclusive partnership with Marriott, announced on July 17th, BetMGM entered into a loyalty marketing agreement with Marriott whereby BetMGM will offer customers extensive opportunities to earn Marriott Bonvoy points while playing with BetMGM, create exclusive games and experiences, and allow customers to exchange BetMGM Rewards points into Marriott Bonvoy points
 - Various platform and product enhancements delivered to provide a more exciting and seamless experience. We're on track with the rollout of Single Account Single Wallet
- Ongoing commitment to player safety, prioritizing responsible gambling across our business
 - Five-year extension to GameSense partnership, announced on March 1st, continues BetMGM's prominence of responsible gambling messages in its digital and out-of-home marketing campaigns, as well as in its mobile app and retail sportsbooks
 - Through its GameSense partnership, BetMGM provides customers with information about how to bet responsibly, setting limits, dispelling myths, and finding support and assistance
 - BetMGM awarded one of the Responsible Gambling Council's top accreditations for integration of responsible gambling and player protection into platforms and operations
- Award recognition including
 - Casino Operator of the Year by EGR North America (second year in a row)
 - Casino Operator of the Year at SBC Awards North America (third year in a row)
 - 2023-2024 Great Place to Work Certification™

Notes:

1: 1H 2023 net revenue for BetMGM on a GAAP basis is expected to be approximately \$923 million, including approximately \$32 million related to Nevada MGM Resorts 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: 1H 2023 Revenue and EBITDA figures are unaudited.

3. Contribution Profit for a particular state reflects Net Gaming Revenue minus direct costs (excluding depreciation and amortization and people costs) considered under GAAP presentation of Gross Profit plus

marketing acquisition spend.

4: BetMGM operates iGaming and Sports Betting in five markets and Sports Betting in twenty-one markets.

5: Market share for last three months ending April 2023 by GGR including iGaming, retail and online sports betting, and only U.S. markets where BetMGM was active excluding New York; internal estimates used where operator-specific results are unavailable.

6: Market share for last three months ending April 2023 by GGR, including only U.S. markets where BetMGM was active and excluding New York in online sports; internal estimates used where operator-specific results are unavailable.

Forward-looking statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which involve substantial risks and/or uncertainties, including those described in the MGM Resorts International public filings with the Securities and Exchange Commission. BetMGM has based forward-looking statements on management's current expectations, assumptions and projections about future events and trends. Examples of these statements include, but are not limited to, BetMGM's expectations regarding its financial outlook (including forecasted net revenues from operations, EBITDA, and amounts expected to be invested by MGM Resorts and Entain in 2023), projected market share position, and its expected growth in new and existing jurisdictions. These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Included among the important factors that could cause actual results to differ materially from those indicated in such forward-looking statements are: 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, BetMGM 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. If BetMGM updates one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those other forward-looking statements.

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 differently, 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's U.S. land-based and online sports betting, major tournament poker, and online gaming businesses. Utilizing Entain's US-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 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 31 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, and the Company's subsidiary LeoVegas AB offers sports betting and online gaming through market-leading brands in several jurisdictions throughout Europe. 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. Please also connect with us @MGMResortsIntl on [Twitter](#) as well as [Facebook](#) and [Instagram](#).

About Entain plc

Entain plc (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, operating 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

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