

29 July 2024

THIS ANNOUNCEMENT CONTAINS INFORMATION THAT QUALIFIES AS INSIDE INFORMATION

## BETMGM FIRST HALF 2024 UPDATE

### NET REVENUE FROM OPERATIONS OF \$1.0 BILLION IN FIRST HALF OF 2024<sup>1,2</sup>

*Momentum accelerating in a year focused on investment and strategic execution to drive future growth*

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 First Half 2024 ("1H 2024") performance.

#### **Adam Greenblatt, Chief Executive Officer of BetMGM, commented:**

"The first half of this year has been very important in laying the groundwork for BetMGM's future. 2024 is a year of investment, focusing on improving our customer experience and stepping up our level of investment in players. We are encouraged to see this strategy delivering accelerating momentum. We have exceeded our goals for both acquisition and retention, which should lead to higher year-over-year revenue growth for the second half of this year into 2025.

Our online sportsbook players have been enjoying Angstrom-enabled product capabilities since the start of the baseball season, and we look forward to players enjoying this across our wider sports offering leading into the NFL season. We are also very excited to bring our unique omnichannel opportunities to players by fully leveraging MGM Resorts' presence in Las Vegas. Single Account Single Wallet will be an important driver of the customer experience, with Nevada marking its completion ahead of the NFL season. Our iGaming business continues to perform strongly with attractive returns, and to maximize this strength and momentum, we plan to deploy additional marketing in the back half of this year. Our execution roadmap, building momentum and prospects ahead all support our confidence in BetMGM's strong future."

#### **1H 2024 Update**

- < 1H 2024 financial performance demonstrating accelerating momentum through the year
  - o Net revenue from operations of \$1.0 billion, up 6% versus prior year<sup>1,2</sup>
    - o 2Q net revenue growth of 9% YoY, up from 3% in 1Q
    - o 2Q online sports betting NGR per active up 16% YoY
    - o 2Q iGaming average monthly actives growth of 18% YoY, up from 9% in 1Q, with no new state launches
  - o EBITDA consistent with expectations of 2024 being an investment year, supporting customer acquisition and enhanced player experience initiatives
    - o Encouraging online sportsbook CPAs of FTDs driven by successful Super Bowl campaign
    - o 1H EBITDA of -\$123 million<sup>2</sup>
- < Established as a leading operator in North America, live in 29 markets with access to 52% of adult population<sup>3</sup>
  - o Continued geographic footprint expansion, with BetMGM launch of digital sports betting in North Carolina in March and district-wide in the District of Columbia in July
  - o 13% GGR market share in the U.S. and Ontario across Sports Betting and iGaming<sup>4</sup>
  - o Demonstrates stabilization and continued strength in iGaming with approximately 22% market share<sup>5</sup>
- < Continued focus on operational execution, delivering improved app, product capabilities, and market-leading partnerships across both digital sports and iGaming
  - o Enhanced Sports Product and Technology
    - o Further integration of Angstrom capabilities with new markets and features for MLB and back end of NBA seasons, provided by fully in-house single game parlay ("SGP") and SGP+ products
    - o Improved player experiences with enhanced betting and SGP+ journeys, landing pages and new features including live bet tracking
      - < Actives who placed an MLB SGP bet this season up 40% YoY<sup>6</sup>
      - < Volume of weekly MLB SGP bets doubled versus last year<sup>6</sup>
  - o Leadership in iGaming
    - o Market-leading jackpots – New Jersey jackpot of over \$5 million expected to be the largest regulated U.S. online jackpot ever paid
    - o Launched exclusive games and innovative reward mechanics with top suppliers, including GameCode and White Hat Gaming
    - o Launched BetMGM Arcade, the home for 'Non-traditional' content including LuckyTap and Crash-style games
  - o Best-in-Class Marketing Partnerships
    - o Integration of partnerships with X, Marriott Bonvoy, and Associated Press

- ⊙ Successful Super Bowl campaign with citywide takeover of Las Vegas and iconic commercial featuring Tom Brady, Wayne Gretzky and Vince Vaughn
- ⊙ Exclusive ambassadorship with Brian Christopher Slots for all online regulated markets
- < Ongoing commitment to player safety, prioritizing responsible gambling across our business
  - Founding member of the newly established Responsible Online Gaming Association ("ROGA"), which brings together the largest U.S. online sports betting and gaming operators to develop and advance responsible gaming practices
  - Expanded the Kindbridge Health program to eight additional jurisdictions, offering self-excluded individuals referrals for problem gambling treatment
  - Research and funding support via sponsorship for the International Center for Responsible Gaming
- < Award recognition, including
  - EGR North America's awards for both Employer and Sports Betting Operator of the Year
  - Top 20 for Best Workplaces in New York<sup>TM</sup> by Fortune
  - Hashtag Sports awards for both Best Sports Betting Partnership (X/Twitter) and Best Communications Strategy

## Outlook

- < As announced on December 4, 2023, BetMGM's strategic roadmap assigned 2024 as an investment year, supporting enhanced player experiences and improved sportsbook product to drive long-term value for stakeholders
- < Coupled with an improving sportsbook offering, and building on BetMGM's iGaming strength which already delivers over \$400 million contribution annually, expectation of greater than planned marketing investment in iGaming in 2H this year<sup>7</sup>
  - Additional investment expected to be funded by bank debt
- < Consistent with expectation of 2024 as an investment year, expect H2 EBITDA to be similar to H1
- < Pipeline of exciting opportunities ahead including key milestones:
  - On track for Angstrom capabilities to be fully integrated across MLB, NBA and NFL offerings ahead of 2024 NFL season
  - Single Account Single Wallet (SASW) rollout expected to be completed with Nevada in place prior to the 2024 NFL season
    - ⊙ Enabling BetMGM customers in MGM Resorts properties, representing 13 million room nights annually, to sign up at one of BetMGM's eight retail sportsbooks and return to their home state with the same wallet
    - ⊙ Completing the integration of player wallets across all BetMGM markets and empowering the final Las Vegas unlock for BetMGM
- < Investment in our execution roadmap, accelerating momentum and opportunities ahead all support our confidence in BetMGM's pathway to \$500 million EBITDA in the coming years

## Notes:

1: 1H 2024 net revenue for BetMGM on a GAAP basis is expected to be approximately \$978 million, including approximately \$30 million primarily 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 2024 net revenue and EBITDA figures are unaudited.

3: BetMGM operates iGaming and Online Sports Betting in five markets and Sports Betting only (combined online and retail) in 24 markets.

4: Consolidated GGR market share consists of last three months ending May or June 2024 as latest reported for U.S. sports betting markets where BetMGM was active (online and retail), last three months ending June 2024 for U.S. iGaming markets where BetMGM was active, and last three months ending June 2024 for the Ontario market; internal estimates used where operator-specific results are unavailable.

5: iGaming GGR market share reflects the three-month period through June 2024.

6: Engagement data for the MLB season for the period 3/20/24 to 7/17/24.

7: Contribution Profit 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.

## Inside Information

This announcement contains information that qualifies as inside information within the meaning of Article 7 of the Market Abuse Regulation (EU) No. 596/2014 as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via a regulatory information service, this inside information is now considered to be in the public domain.

## 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 expected investment by Entain and MGM Resorts in 2024), projected market share position, its expected growth in new and existing jurisdictions, product capabilities, and achievement of key milestones. 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

#### GAAP Presentation 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 Entain Plc (LSE: ENT) and MGM Resorts International (NYSE: MGM), 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 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 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, STS, SuperSport and TAB NZ; 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 and is the only global operator to exclusively operate in domestically regulated or regulating markets operating in over 30 territories.

Entain is a leader in ESG, a member of FTSE4Good, the DJSI and is AA rated by MSCI. 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 gaming and 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 sports betting and online gaming in North America through market-leading brands, including BetMGM and partypoker, and the Company's subsidiary, LV Lion Holding Limited, 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](http://www.mgmresorts.com). Please also connect with us @MGMResortsIntl on Twitter as well as Facebook and Instagram.

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