

Successfully navigating unprecedented times



Claire Milne
Interim Chairman

In May 2020, the Board asked me to take the role of Interim Chairman. The Group's process of appointing a permanent Chairman was severely disrupted by the COVID-19 pandemic, and the Board tasked me with bringing stability and continuity to the Company at a time of unprecedented challenge and change. It has been an enormous privilege to be the Interim Chairman of Playtech over the past 12 months and I thank the Board and the Playtech team for their support, assistance, hard work and dedication.

On 3 March 2021, the Company announced that following an extensive process, Brian Mattingley had been selected as Non-Executive Chairman. Brian brings significant online gambling sector experience and a track record of delivering high levels of stakeholder engagement in highly regulated and fast-growing industries. Brian will take up the role from 1 June 2021 and the Board and I look forward to working with him to deliver the next phase of Playtech's growth.

During my time as Chairman, the Board and I worked with the management team to focus the Company's efforts in three key areas. Firstly, to ensure that we did everything we could to protect our people and their livelihoods in the face of the immediate challenges of the pandemic, and to ensure our customers were well looked after. Secondly, to ensure that Playtech achieved its strategic goals to secure future growth opportunities, particularly in the US and Latin America. And finally, to continue Playtech's corporate growth with the launch of Sustainable Success, our commitment to grow Playtech in a way that benefits our people, our communities, the environment and our industry – following the events of 2020, this is now more important than ever.

Performance and COVID-19

Playtech enjoyed a strong start to the year before the onset of the COVID-19 pandemic. In the face of an unprecedented trading environment the Board is proud to report that Playtech delivered a resilient financial performance, delivering against our strategic priorities, whilst also laying the foundations for future growth. Swift action to enact our business continuity plans and strong engagement with employees and licensees allowed Playtech to continue to deliver its software and services whilst being agile enough to work with partners to launch new projects. Although parts of our business remain adversely affected by the restrictions imposed by the pandemic, the diversity and strength of Playtech's business model in 2020 can give stakeholders confidence in our resilience in the face of any continuing restrictions from the COVID-19 pandemic.

Central to our strong performance during 2020 was the continued professionalism and commitment of our people. Our number one priority during this crisis has been the health and wellbeing of Playtech's employees – we have worked to protect and support them through our swift move to remote working and our global employee wellbeing programme. The Board has been continually impressed and inspired by our people's compassion – not only supporting each

other but also working to support their local communities during 2020. As a global business, Playtech has offices in many locations impacted by the crisis. Playtech and its people offered their skills, charitable budgets, assets and technology to support local communities, charities and not-for-profit organisations, and licensees to help reduce the impact of COVID-19.

In order to support our communities and the industry to help address the long-term challenges of the pandemic, in 2020 the Board approved a £3 million COVID-19 Recovery and Resilience Fund. The Fund aims to assist non-profit and social enterprise organisations delivering mental health and wellbeing services in Playtech's end markets and local communities. The Fund will prioritise support for organisations delivering programmes to people affected by gambling related harm, domestic abuse, and unemployment as well as at-risk groups such as young people, frontline healthcare workers and first responders. The Fund will be managed and distributed by the Charity Aid Foundation (CAF).

Strategic progress

The scale of our technology and breadth of our product offering has continued to deliver strategic progress in key markets. In 2020 Playtech entered the US market with a transactional waiver in New Jersey in H1 and has since launched with bet365 and Entain. This was followed by regulatory approval in Michigan in December and a strategic multi-state agreement with Parx Casino and the Greenwood companies in early 2021. This was delivered alongside continued growth in Latin America with Caliente in Mexico, new structured agreements in Guatemala, Costa Rica and Panama as well as the launch of Wplay in Colombia.

Further strategic progress was made in 2020 in disposing of non-core assets and focusing the business on executing on its strategic position as a leader in gambling technology. In early 2021 Playtech completed the disposal of its remaining Casual and Social Gaming assets and remains in discussions regarding the sale of Finalto.

Sustainable Success and Stakeholder Advisory Panel

Over the last 12 months, Playtech has worked with academics, charities and thought leaders in the gambling sector to make Sustainable Success a roadmap for Playtech utilising our scale, reach and data capabilities to build a sustainable, successful, and safer gambling entertainment industry for the benefit of all stakeholders. A key pillar of Sustainable Success is our commitment to invest £5 million from 2020 to 2025 to promote healthy online lives, digital resilience and to reduce digital gambling-related harm by engaging with a wide range of organisations to explore opportunities for collaboration, research, and interventions.

During the year, in addition to strengthening our approach to sustainability, we continued to focus on our stakeholders, making them an integral part of what we do – from working ever closer with our licensees, to engaging with our people to help them support our communities.



Read more about Sustainable Success on page 16

To continue to strengthen our stakeholder engagement into 2021, Playtech launched its first Stakeholder Advisory Panel. Throughout 2021, the Playtech Chairman and CEO will host a series of panels with thought leaders, policy and sustainability experts from inside and outside the sector to inform and challenge how we approach sustainability and safer gambling.

During 2020, Playtech shareholders approved the amendment of the Company's articles to facilitate the migration of the Company's tax residency to the United Kingdom from the Isle of Man. This allows Playtech to hold Board and General meetings in the UK and helps to facilitate greater shareholder and broader stakeholder engagement with the Company and the Board.

Shareholder returns

As part of the management team's actions to preserve cash across the business, the Board suspended shareholder distributions in March 2020 due to the uncertainty relating to COVID-19. The share repurchase programme announced at the FY 2019 results was postponed with immediate effect with approximately €10 million of the €40 million buyback having been completed. In addition, the 2019 final dividend was not proposed at the AGM. Together these measures allowed the Company to preserve over €65 million of cash outflows during the year and have helped to ensure that Playtech ended 2020 in a strong financial position.

Playtech remains committed to returning capital to shareholders whilst balancing the needs of the business and taking a prudent approach to its capital structure and leverage.

Claire Milne
Interim Chairman
10 March 2021