

Delivering strategic and operational progress

2019 was another important year in the development of Playtech. Management has continued to focus on delivering a transformation of the business which started in 2017, designed to secure long-term growth and unlock shareholder value



Alan Jackson
Chairman

Note: These accounts were published on 27 February 2020, prior to the significant and widespread impact of Covid-19 on global markets. While the report represents an accurate reflection of the year's activity, it should be read with this in mind together with our more recent trading updates.

Alan Jackson
Chairman
8 April 2020

The Group reported 23% revenue growth and 11% growth in adjusted EBITDA driven by a strong performance in the Core B2B and B2C Gambling business and the inclusion of a full year of Snaitech's results. The strength in this part of the business was partially offset by the disappointing results of Asia and TradeTech and management has started to take action in 2019 and will continue to do so in 2020.

As the business continues to transition and deliver a well-diversified higher quality revenue profile, I am pleased to report that the percentage of regulated revenue rose to 88% compared to 80% in 2018.

In 2019 Core B2B Gambling revenues in regulated markets increased by 17% compared to 2018. During 2019 Playtech continued to deliver on its B2B strategy delivering new agreements with new licensees, growing our relationships with existing customers, launching in new markets and developing new tools and capabilities to assist our partners to grow in existing markets. This progress in 2019 will secure B2B growth for the coming years.

Snaitech, our B2C business in Italy, continues to go from strength to strength delivering an outstanding full year performance. We are now starting to see the benefits of leveraging Playtech's technological expertise and capabilities across the Snaitech business. Underlying Adjusted EBITDA increased by 24% and Snaitech continued to take market share, finishing the year as Italy's leading online betting and gaming operator.

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Management has taken decisive steps during the year to address the underperforming and non-core parts of the Group and will continue to act in 2020 to deliver the most appropriate path to realise shareholder value. During the year management took the decision to discontinue our Casual Gaming operations, which will leave us with a more focused and profitable B2C portfolio.

TradeTech had a challenging 2019 but the team has made several changes to the business and starts 2020 in a stronger position. As we announced at our interim results, we are reviewing the longer-term options for this business and will update as the year progresses.

During 2019 Playtech continued to maintain an efficient balance sheet. Following the issuance of our first public rated corporate bond in 2018, Playtech successfully raised a further €350 million 7-year bond at 4.25% in March 2019.

The Group's continued strong levels of cash generation allowed total shareholder returns of €120.4 million in 2019 through dividends and share buybacks. This demonstrates Playtech's commitment to delivering high levels of shareholder returns which has seen the Company return more than €1 billion to shareholders over the last ten years. The continued levels of cash generation mean the Board is able to announce a further €40 million share buyback programme.

Looking into 2020, in due course we will announce my successor as Chairman. With the scale of its technology, breadth of its offering and diversification of model, I am confident Playtech will be at the centre of the industry for years to come.

Alan Jackson
Chairman
26 February 2020



Culture and values

Our values are a vital part of our ethical business principles. They guide all our decisions. They are the foundation of everything we do as a company and they help to shape our achievements.

Integrity

We always strive to be responsible, honest and open in our dealings with each other and with all our stakeholders, licensees, regulators, business partners and suppliers

Innovation

We always endeavour to be at the forefront of our industry; to lead, develop and deliver new products and services that meet all risk and regulatory compliance measures

Excellence

We aim for excellence in everything we do; in the delivery of our products and services, in our interaction with the outside world and in working with each other

Performance

We always deliver outstanding performance in the context of the legitimate and realistic expectations of our customers and shareholders