

BETMGM FY23 UPDATE: FY23 NET REVENUE FROM OPERATIONS OF \$1.96 BILLION AT TOP END OF GUIDANCE



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BetMGM, LLC →
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Positive EBITDA in the Second Half of 2023

LAS VEGAS, Feb. 8, 2024 /PRNewswire/ -- BetMGM, LLC ("BetMGM"), one of the leading sports betting and iGaming operators across the U.S., jointly owned by MGM Resorts International (NYSE: **MGM**) ("MGM Resorts") and Entain plc (LSE: ENT) ("Entain") is today providing an update on performance for FY 2023.

- BetMGM delivered a strong FY 2023 financial performance (based on unaudited results)
 - Net revenue from operations grew 36% year over year to \$1.96 billion¹, at the upper-end of \$1.8-\$2.0 billion guidance range²
 - Same-state growth in net revenue from digital operations of 14%
 - Key metrics across both iGaming and Online Sports Betting improved year over year, including average monthly actives, FTDs, hold percentages, bonus levels, NGR per active, and CPAs³
 - EBITDA positive in the second half of 2023 with expected FY 2023 EBITDA loss of approximately \$67 million⁴
- Established as a leading operator across North America, live in 28 markets with access to 49% of adult population⁵
 - Four new markets launched during the year: Ohio (online and retail), Massachusetts (online and retail), Puerto Rico (online) and Kentucky (online and retail)
 - 14% market share in Sports Betting and iGaming in the U.S. and 22% in Ontario⁶
 - Secured market access with Charlotte Motor Speedway ahead of expected March 2024 launch of newly legalised sports betting market in North Carolina, pending regulatory approval
- Further operational progress supported by technology, product and capability enhancements, positions BetMGM to drive growth going forward
 - Seamless execution of single account single wallet across 21 markets ahead of the 2023 NFL season
 - Enhanced sports betting experience with improved speed⁷, broader market coverage and new differentiated bet types
 - New in-house and exclusive games, including Dual Play Roulette, as well as largest progressive jackpots underpinning market leading iGaming offering
- December 4th BetMGM business update set out strategic roadmap to drive growth in 2024

- Expanding the depth and breadth of our sports offering by leveraging Angstrom's sophisticated modelling to support innovative and original products, including player-popular Same Game Parlay ("SGP"), SGP+ and new LIVE SGP products
- Continue to deliver market-leading and engaging gaming experiences that are more personalized and differentiated, including exclusive and MGM-branded content
- Increasingly investing in marketing and player acquisition as sports product and player retention continue to improve
- Unlocking BetMGM's unique omnichannel advantages, particularly in Las Vegas, Nevada
 - Launched new improved app in January with single wallet functionality expected later in 2024
 - Leveraging Las Vegas sports teams and tentpole events, for example BetMGM's first Big Game commercial featuring Tom Brady, Wayne Gretzky and Vince Vaughn
- Reiterating guidance from December 2023 business update of targeting approximately \$500 million of EBITDA in 2026
- Recognized as Digital Operator of the Year by Global Gaming Awards, Online Casino of the Year by American Gambling Awards, and Casino Operator of the Year by EGR North America and SBC Awards North America.
- Ongoing commitment to industry leadership in player safety and responsible gaming
 - Secured five-year extension with GameSense program, providing player tools and capabilities to play responsibly
 - Partnered with nine NFL teams to promote responsible gambling in stadiums during games
 - Piloted the first of its kind program with Kindbridge Health to evaluate efficacy of offering self-excluded individuals' referrals for problem gambling treatments

Adam Greenblatt, CEO of BetMGM, commented:

"Our performance in 2023 demonstrates our commitment to delivering on our promises. We were able to achieve strong organic growth, while executing against key strategic initiatives that lay the foundation for 2024 and beyond. The attainment of EBITDA profitability over the last three quarters of 2023 validates the effectiveness of our business model and provides the basis from which to invest further in expanding our sports offering through the integration of Angstrom and leveraging our largely untapped Las Vegas omnichannel advantages. With this comprehensive roadmap in place, we can focus on driving accelerated

player acquisition and retention and strengthening our current market position. This clear strategic direction underpins our confidence in achieving our targets and building long-term, sustainable value for shareholders."

Notes

- (1) FY2023 net revenue for BetMGM on a GAAP basis is expected to be approximately \$1,920 million, which includes approximately \$64 million related to Nevada MGM 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) FY2023 non-GAAP net revenue guidance established in January 2023
- (3) Key metrics include average monthly actives, first time depositors ("FTDs"), hold percentages, bonus levels, net gaming revenue per active ("NGR per active"), and cost per acquisition ("CPAs")
- (4) BetMGM has not completed its financial closing procedures for the three months and year ended December 31, 2023 and actual results can differ materially from these estimates. In addition, BetMGM's independent registered public accounting firm has not audited, reviewed or performed any procedures with respect to these preliminary estimates. During the course of the preparation of BetMGM's audited financial statements, BetMGM and its auditors may identify items that would require material adjustments to these estimates. As a result, these estimates constitute forward-looking statements and, therefore, investors are cautioned that they are subject to risks and uncertainties, including possible adjustments.
- (5) BetMGM operates iGaming and Online Sports Betting in five markets and Sports Betting only (combined online and retail) in 23 markets.
- (6) Market share for last three months ending November 2023 by GGR including only U.S. markets where BetMGM was active; internal estimates used where operator-specific results are unavailable. Ontario market share reflects the three-month period through December 2023.
- (7) [Google Core Web Vitals](#) validate that BetMGM is now one of the fastest apps in the U.S.

Forward-looking statements:

This document contains certain statements that are forward-looking statements. They appear in a number of places throughout this document and include statements regarding our intentions, beliefs or current expectations and those of our officers, directors and employees concerning, amongst other things, results of our operations, financial condition, liquidity, prospects, growth, strategies and the business we operate. Examples of these statements include, but are not limited to, BetMGM's expectations regarding its financial outlook (including EBITDA guidance). These forward-looking statements include all matters that are not historical facts. By their nature, these statements involve risks and uncertainties since future events and circumstances can cause results and developments to differ materially from those anticipated. Any such forward-looking statements reflect knowledge and information available at the date of preparation of this document. Among the important factors that could cause actual results to differ materially from those indicated in such forward-looking statements include 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, Entain 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. Other than in accordance with its legal or regulatory obligations (including under the Market Abuse Regulation (596/2014), the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Rules), Entain undertakes no obligation to update or revise any such forward-looking statements. Nothing in this document should be construed as a profit forecast. Entain and its directors accept no liability to third parties in respect of this document save as would arise under English law.

Non-GAAP Financial Information:

This press release includes net revenue from operations and estimated EBITDA, which have 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 different, 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 Resorts' 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 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. 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 (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 with operations 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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