

# THE STARS GROUP

# INTRODUCTION TO THE STARS GROUP (TSG)



World's largest publicly listed online gaming company with best-in-class online sports capabilities

- ★ Millions of registered customers with significant and fast growing online sports-betting operations
- ★ Largest poker platform with >70% global market share
- ★ Best-in-class sports operations through Sky Betting & Gaming, CrownBet/William Hill Australia and BetStars
- ★ ~4,200 staff with offices in the Isle of Man, UK, Ireland, USA, Canada, Costa Rica and Australia
- ★ Listed on Nasdaq and Toronto Stock Exchanges

Proprietary Platform

- ★ Single platform for all verticals (common wallet, cross-vertical loyalty program, CRM, VIP, game integrity, etc.)

Sponsors the largest poker tours on the planet, which annually produce as many as 70 festivals in 26 countries.

- ★ Annually more than 1,200 tournaments awarding more than \$265m in prize money from 200,000+ tournament entries

Regulatory & Compliance

- ★ World's most licensed online gaming brand with licenses or operating approvals in 19 jurisdictions
- ★ 2017 Gambling Compliance Awards: most significant contribution to responsible gaming

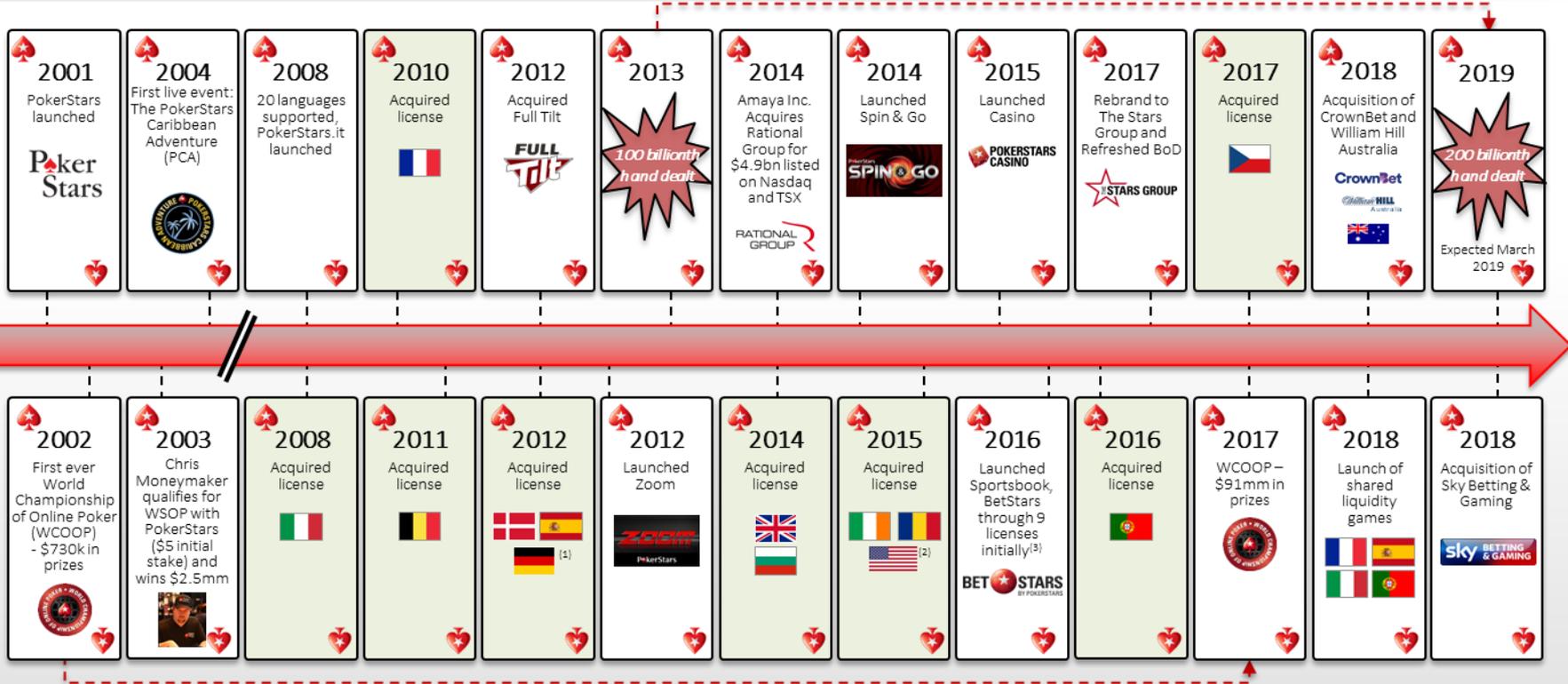
# STATS & FACTS



- With **70% market share globally** we are, simply, the largest poker community in the world
- More than **172 billion hands** of poker dealt on PokerStars alone: the equivalent of 21 hands for every person on the planet
- **500,000 simultaneous players online** (record on PokerStars), greater than Lincoln Financial Field **and** Heinz Field both filled three times over with poker players
- **Two million hands dealt every hour** and 500,000 tournaments every day
- PokerStars busy regular tournament schedule pays out more than \$200 million in multi-table tournaments every week
- Official **Guinness World Record holder** for largest number of players in an online poker tournament: 225,000 (June 2013), which we broke again with 253,698 players (Oct 2015)
- One of the world's fastest growing casinos. In early 2017, our **Millionaires Island jackpot struck twice in just 27 days**, paying out more than **\$2.9 million**.



# HISTORY OF TSG



1. State of Schleswig-Holstein
2. State of New Jersey
3. Isle of Man, Malta, United Kingdom, Spain, Germany, Ireland, Romania, Italy and Denmark

- ★ **400+ Customer Support staff, 24/7/365 coverage across 5 offices.**
  - Over 4 million emails/chats handled per year, with an average handling time of 6 mins with 19 languages supported
  - Widely regarded as having best support in the industry. Players are regularly surveyed with a dedicated internal Customer Experience Team checking response time and quality.
- ★ **240+ Security employees worldwide providing 24/7/365 coverage across 6 offices:**
  - Proprietary fraud management systems built on 14+ years of experience across billions of transactions
  - Security teams and systems cover KYC, player verification, payment fraud, AML
  - Transaction screening at multiple points in player lifecycle and ensuring account login security
- ★ **65 Game Integrity employees worldwide providing near 24/7/365 identifying and preventing cheating between players:**
  - Proactive alerts generated by proprietary systems covering three main areas:
    - Collusion – 89.9% of cases identified proactively
    - Prohibited software and “bot” detection – 88.96% of all bots detected proactively
- ★ **Dedicated Responsible Gaming Team covering 24/7/365:**
  - Industry leading responsible gaming features, including multiple types of limits, self-exclusions and time out periods.
  - Significant support offered for players (and families), including over a dozen partnerships with Responsible Gaming organizations.
  - Mandatory staff training course for relevant staff to spot potential issues.
  - Accredited by the Responsible Gambling Council of Canada (since 2015); GamCare (since 2008) and National Council on Problem Gaming (2018)
- ★ **25+ Compliance Specialists supported by 40+ other lawyers and other professionals**
  - Managing compliance with gaming licenses and various regulations in 18 territories in multiple languages
  - Oversight and responsibility for corporate integrity and money laundering prevention/detection

A soccer player in a white and teal jersey with arms outstretched in a stadium. The background is a blurred stadium filled with spectators. A large red and white brushstroke graphic is overlaid on the right side of the image.

# Proposed Pennsylvania Offering



**POKER STARS** Quick Seat All Games Favorites News Login Create Account Cashier 18:55 ET 92,434

Hold'em Omaha Other Zoom Tourney Sit & Go Spin & Go Events

Fixed Limit No Limit Pot Limit Play Money  
All High Medium Low Micro

View  Hide Full Tables  Hold'em Cash Game Filter

Table	Stakes	Game	Type	Plrs	Wait	Avg Pot	Plrs/Fl...	H/hr
Table St.	\$0.50/\$1	NL Hold'em	CAP					
Glaucos II	\$0.50/\$1	NL Hold'em						
Hermod II	\$0.50/\$1	NL Hold'em	Ante					
Omega Ce...	\$0.50/\$1	NL Hold'em						
Orlufay	€0.50/€1	NL Hold'em		1				
Sarpedon II	\$0.50/\$1	NL Hold'em		2				
Table St.	\$0.50/\$1	NL Hold'em	Ante	3				
Table St.	€0.50/€1	NL Hold'em		3				
Table St.	€0.50/€1	NL Hold'em		5				
Aenna II	\$0.50/\$1	NL Hold'em		9	2	\$15	16%	61
Agapenor II	\$0.50/\$1	NL Hold'em		9	11	\$9	9%	91
Boreas	\$0.50/\$1	NL Hold'em		9	4	\$6	18%	64
Boucolion II	\$0.50/\$1	NL Hold'em		9	8	\$13	18%	64
Chiny	\$0.50/\$1	NL Hold'em		9	17	\$13	20%	63
Chryseis II	\$0.50/\$1	NL Hold'em		9	2	\$26	15%	57
Dione III	\$0.50/\$1	NL Hold'em		9	1	\$15	15%	72
Edebono III	\$0.50/\$1	NL Hold'em	CAP	9	2	\$18	22%	73
Edisona II	\$0.50/\$1	NL Hold'em		9	13	\$22	19%	64
Elsa	\$0.50/\$1	NL Hold'em		9	8	\$8	15%	86
Eurynome III	\$0.50/\$1	NL Hold'em		9	11	\$19	13%	54
Genua III	\$0.50/\$1	NL Hold'em		9	5	\$14	12%	61
Harmonia II	\$0.50/\$1	NL Hold'em		9	10	\$18	16%	71
Helma	€0.50/€1	NL Hold'em		9	9	€18	16%	56
Hispania	\$0.50/\$1	NL Hold'em		9	7	\$15	9%	64

Player Chips

Join Table Starter

Learn how to play poker [Poker Software Overview](#) [Feature Guide](#)









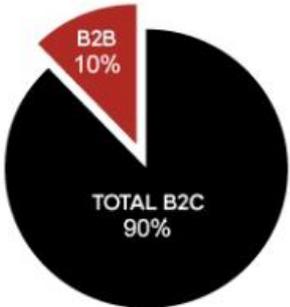
---

**COMPANY OVERVIEW** | August 2018

# 888 Key Info

- Founded in 1996
- Employs approximately 2,000 online professionals in 6 global locations
- Listed on the London Stock Exchange
- Market Cap of \$1.3B (May 2018)
- Has enjoyed 7 years of consecutive growth
- Highly experienced management team
- Online gaming licenses in 11 territories
- \$542M in revenues for 2017

# 888 AT A GLANCE



**B2C**



**B2B**



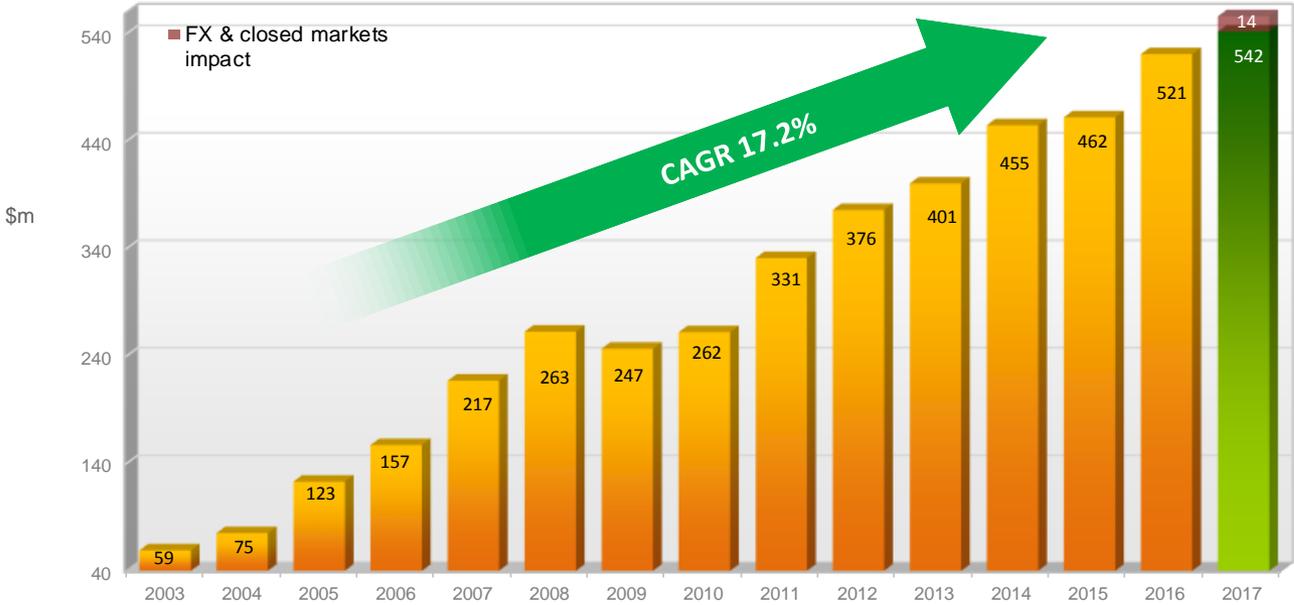
Dragonfish provides flexible, dynamic services including Games & Technology, Marketing, Operations and ePayments.

[dragonfishtech.com](http://dragonfishtech.com)



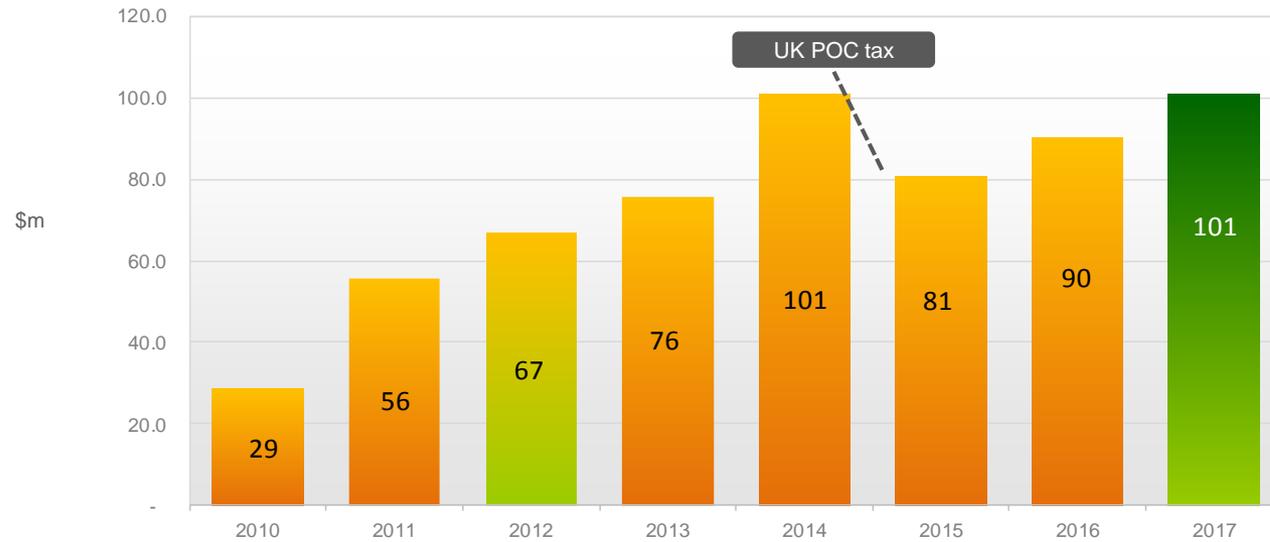
# GROUP REVENUE

Revenue 2003 – 2017

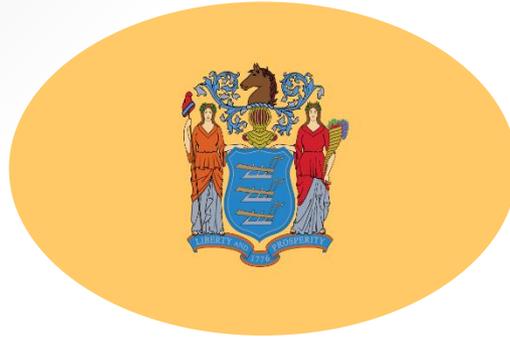


# ADJUSTED EBITDA

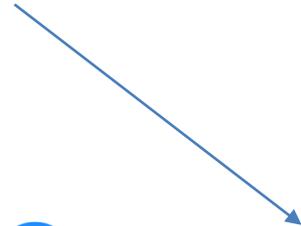
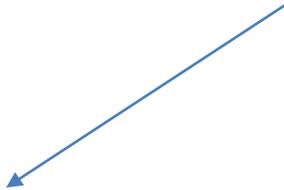
Adjusted EBITDA 2017 vs. 2016



# US Experience – New Jersey



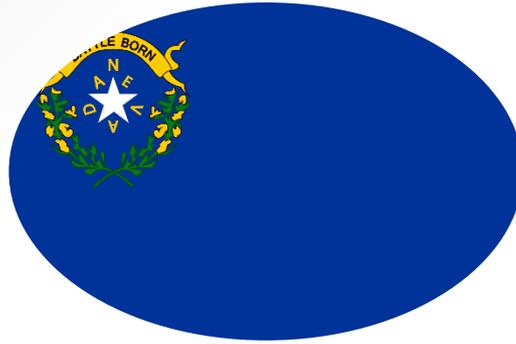
CAESARS



# US Experience - Delaware



# US Experience - Nevada



CAESARS



WSOP.com

888  
HOLDINGS

# Licences

- Gibraltar gaming licence
- UK remote gaming licence
- Italian online gaming licence
- Spanish online gaming licence
- Romanian online gaming licence
- Irish online betting licence
- Danish online gaming licence
- Manufacturer licence in the state of Nevada
- Holder of Transactional Waiver pending application for full licensing in the state of New Jersey
- Gaming Vendor License in the state of Delaware

# 888casino



- One of the world's biggest casino brands and winner of numerous prestigious awards
- Renowned for generous jackpot prizes and industry recognised proprietary content
- Continually makes over 60% of group revenue
- The best proprietary content coupled with the best of third-party content (IGT, SG Digital, NetEnt etc) to give players an immersive and entertaining online experience
- Active player days increasing yoy reflecting outstanding CRM services and retention capabilities



# 888poker



- World renowned and multi-award winning poker destination
- Constant product updates and first-to-market product launches
- Totally proprietary platform allowing for full control over product, brand, CRM and acquisition
- 100% market-share in NV and DE, with 35% market share in NJ (platform)
- Uniquely placed to capitalise on further shared liquidity in the US
- Launching shared liquidity platform for Nevada, Delaware and New Jersey as of May 1<sup>st</sup> 2018 after recent announcement



# Multi-State Poker Network



# Customer Support

- **New Jersey – servicing customers on the NJ brands operated on the 888 platform**
- Gibraltar – servicing customers in European and non-English speaking markets
- Antigua – servicing English-speaking customers and Nevada and Delaware
- Proprietary CSR software giving staff the best tools to service customers
- All inbound support channels supported – phone, email, live chat etc – phone contacts typically answered within 30 seconds and emails responded to within 3 working days.

# Customer Retention

- Industry recognised CRM services
- Email – targeted and segmented emails to drive cross-sell and increase active days and deposits – personalised and mass
- In-client communication – communication on-site in order to encourage longer session times through banners and messaging
- Push notifications and text messages to cell phones – allows us to target users when they are on their phones – mobile is key for a successful sportsbook/casino offering
- State-of-the-art bonusing mechanisms both manual and automatic across all products
- Customised promotions to cross-sell between online and offline activity

# Customer and Site Protection

- Thorough responsible gaming procedures in place, including loss limits, deposit limits, time-outs, self-exclusion, session limits etc – configurable to adhere to jurisdictional requirements
- Constant evaluation of our algorithms and procedures to ensure player protection
- Game mathematics tested to the highest degree of scrutiny to ensure fairness
- Industry-leading bot detection services across our poker platform
- Login security – client/server connect is encrypted by SSL, in addition, we encrypt the username & password
- 24/7 NOC team monitoring all sites against DDoS, Malware, SQLi etc