

This letter is important and requires your immediate attention.

If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice immediately from a stockbroker, bank manager, solicitor, accountant or other independent financial or legal adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

20 November 2020



Dear Participant

**The William Hill PLC 2012 International Savings Related Phantom Option Plan  
("International Phantom Sharesave") and the recommended cash offer for William Hill  
PLC by Caesars Entertainment, Inc.**

**2020 Phantom Options**

As you know, William Hill PLC ("**William Hill**") and Caesars Entertainment, Inc. ("**Caesars**") announced on 30 September 2020 that they had reached agreement on the terms of a recommended cash offer for the entire issued and to be issued share capital of William Hill by Caesars UK Holdings Limited ("**Caesars UK Bidco**"), a wholly-owned subsidiary of Caesars (the "**Acquisition**").

**1. Why are we writing to you?**

We are writing to explain how the Acquisition will affect your 2020 Phantom Options under the International Phantom Sharesave and the decisions you need to make.

Please read everything in this letter and its appendix carefully. **Their contents are very important.**

Please note that under the International Phantom Sharesave, options were granted to you in the form of phantom options over a notional number of William Hill Shares. On exercise of a phantom option you will receive a cash sum only. You will not receive William Hill Shares.

If you participate in other William Hill share plans or hold other phantom options under the International Phantom Sharesave you will receive separate letters about the effect of the Acquisition on your other options or awards. Please also read those letters carefully.

**Please be aware that you will need to take action to realise value from your 2020 Phantom Options as this will NOT happen automatically. You can do so by completing the online instruction which you can find online on Computershare's EquatePlus portal via the Corporate Actions Taskbar (the "Instruction") before your 2020 Phantom Options lapse and your savings are returned to you.**

**Please note that if your 2020 Phantom Options have not been exercised by (at latest) 20 days after the Effective Date (explained further below), they will cease to be exercisable. It is, therefore, recommended that you take action in respect of your 2020 Phantom Options as soon as possible. Further details about your choices are explained in section 6 of this letter.**

## **2. The Acquisition**

The Acquisition will result in William Hill and its subsidiaries becoming wholly owned by Caesars.

The Acquisition will take place through what is called a "scheme of arrangement" (the "**Scheme**"). This is a procedure that is subject to approval by William Hill Shareholders and the Court. In particular, as part of the Acquisition, the Court will sanction the Scheme on a date referred to throughout this letter as "**Court Sanction**". This date is not the date on which the Acquisition will be completed. The Acquisition is currently due to complete a few days after Court Sanction on the "**Effective Date**".

Further information on the Scheme is set out in the Scheme Document dated 26 October 2020 which was sent to William Hill Shareholders. This letter should be read together with the Scheme Document. Copies of the Scheme Document and this letter are available on the William Hill website at <https://www.williamhillplc.com/investors-centre/offer-for-the-company/> and on the Caesars website at <https://investor.caesars.com/>.

A brief explanation of some of the terms used in this letter is given in the appendix to this letter. Terms defined in the Scheme Document will have the same meaning in this letter unless otherwise defined.

## **3. What are the terms of the Acquisition?**

The terms of the Acquisition are set out in full in the Scheme Document. However, in summary, William Hill Shareholders will be entitled to receive **£2.72 in cash** for each William Hill Share they own at the Scheme Record Time.

## **4. When is the Acquisition likely to take place?**

The Acquisition is currently expected to take effect in the second quarter of 2021, subject to receipt of the relevant anti-trust and regulatory approvals. Shareholder approval of the Acquisition was obtained on 19 November 2020. The date of Court Sanction will be announced by a Regulatory Information Service (with such announcement being made available on William Hill's website at <https://www.williamhillplc.com/>) and you will be updated when the timing is confirmed. An expected timetable of key events relating to the Acquisition is available in the Scheme Document.

5. **How will the Acquisition affect your 2020 Phantom Options?**

**Please be aware that you will need to take certain actions to realise value from your 2020 Phantom Options as this will NOT happen automatically. If you do not take any action, your 2020 Phantom Options will lapse and your savings will be returned to you.**

Normally, you would keep saving until the end of your savings contract and then decide if you want to exercise your 2020 Phantom Options and receive a cash payment calculated by reference to the notional William Hill Shares subject to your 2020 Phantom Options.

However, as a result of the Acquisition, your 2020 Phantom Options will become exercisable early to the extent of your savings on the date of exercise. You will be able to exercise your 2020 Phantom Options within the 20 days following the Effective Date. If the Acquisition does not happen for any reason, your 2020 Phantom Options will continue as normal, subject to the rules of the International Phantom Sharesave.

**You will need to take action in order to exercise your 2020 Phantom Options as this will not happen automatically. 2020 Phantom Options will cease to be exercisable (at latest) 20 days after the Effective Date if they are not exercised, and your savings will be returned to you. An explanation of the steps you will need to take to exercise your 2020 Phantom Options is set out in section 6 below.**

If you exercise your 2020 Phantom Options on or after the Effective Date:

- (A) you will receive, for each notional William Hill Share in respect of which you exercise your 2020 Phantom Options, a cash sum equal to £2.72 less (i) the Exercise Price per share and (ii) any tax and social security contributions that William Hill is required to withhold, as set out in more detail in section 9 (the “**Cash Sum**”). “**Exercise Price**” means the price per notional William Hill Share at which you may exercise your 2020 Phantom Options, being £1.45 per notional Share. This amount will be calculated in pounds sterling and converted into your local currency; and
- (B) your accumulated monthly savings will be returned to you.

These amounts will be paid to you by William Hill through payroll – meaning the payment is likely to be approximately a month after the Effective Date (or approximately a month after you exercise your 2020 Phantom Options, if you exercise after the Effective Date). Any international currency conversion will be made as soon as practicable for all international payments, but please note that the currency exchange rate can fluctuate so the exact amount you will receive in your local currency will not be known until the time of payment.

6. **What do you need to do to realise value from your 2020 Phantom Options?**

- (A) **Exercise on the Effective Date**

To elect to exercise your 2020 Phantom Options conditional on the Effective Date and receive the Cash Sum, you must complete the Instruction on the EquatePlus online portal before the Effective Date. The relevant deadline will be advised once the Effective Date is known.

(B) **Exercise after the Effective Date**

If you wish to exercise your 2020 Phantom Options in the 20 days after the Effective Date, you may do so using the EquatePlus online portal. The relevant deadline will be advised once the Effective Date is known.

7. **Can you opt out of the Scheme and retain your existing 2020 Phantom Options?**

No. If Court Sanction and the Effective Date occur, your 2020 Phantom Options will be treated in the way described above.

If you choose not to exercise your 2020 Phantom Options, they will cease to be exercisable 20 days after the Effective Date (at latest). If your 2020 Phantom Options cease to be exercisable, you will receive no value for your 2020 Phantom Options and your accumulated savings will be returned to you.

8. **What if you leave employment with the William Hill Group?**

If you leave employment with the William Hill Group before the Effective Date (or if you have already left as a “good leaver”), the leaver arrangements under the International Phantom Sharesave will apply in the normal way. This means that:

- (A) If you do **not** qualify as a “good leaver” under the rules of the International Phantom Sharesave, your unexercised 2020 Phantom Options will lapse on the date that your employment ceases and you will receive your accumulated savings back; or
- (B) If you **do** qualify as a “good leaver” under the rules of the International Phantom Sharesave (for example, if you leave because of injury, disability, retirement or redundancy), your 2020 Phantom Options will be exercisable until the earlier of six months from the date on which you leave employment and 20 days after the Effective Date, to the extent of the savings which you have accumulated on the date of exercise. Special rules apply in the event of death.

If you leave employment with the William Hill Group after the Effective Date, your 2020 Phantom Options will remain exercisable for the 20 days after the Effective Date. If you have not yet exercised your 2020 Phantom Options:

- (A) If you do **not** qualify as a “good leaver” under the rules of the International Phantom Sharesave, your unexercised 2020 Phantom Options will lapse on the date that your employment ceases and you will receive your accumulated savings back; or
- (B) If you **do** qualify as a “good leaver” under the rules of the International Phantom Sharesave (for example, if you leave because of injury, disability, retirement or

redundancy), your 2020 Phantom Options will be exercisable until 20 days after the Effective Date (that is, leaving employment does not extend this period). Special rules apply in the event of death.

**9. What are the tax implications?**

When you exercise your 2020 Phantom Options, income tax and employee social tax may be due on the difference between the fair market value of the notional William Hill Shares subject to your 2020 Phantom Options and the exercise price, depending on your individual circumstances. Any income tax and employee social tax due will be deducted by William Hill through payroll.

If you have any questions, please contact [REDACTED] This letter does not constitute tax advice to any individual participant.

Please remember that tax law can and often does change, and you should not necessarily assume the current tax position will continue.

Please note that neither Computershare, Caesars, Caesars UK Bidco nor William Hill can provide you with legal, personal tax or financial advice. If you are in any doubt as to the action you should take, you are recommended to seek advice from an authorised independent financial and/or tax adviser.

**10. What if you have questions?**

If you have any questions that relate to your 2020 Phantom Options, please contact the Computershare helpline on +44 (0370) 703 6251. Please note that no legal, tax or financial advice on the merits of the Acquisition or its effect on your 2020 Phantom Options can be provided.

If you are in any doubt as to the effect the Acquisition will have on your personal tax position (including how you should fill out your tax return, if you have to complete one), you are strongly recommended to seek your own independent financial and/or tax advice.

**11. Important notes**

The William Hill Directors recommend that you exercise your 2020 Phantom Options conditional on the Effective Date (in accordance with section 6(A) of this letter). You should consider your own personal circumstances, including your tax position, when deciding your preferred timing for exercising your 2020 Phantom Options.

No Proposals are being made to you in respect of the Acquisition, as you will receive value for your 2020 Phantom Options when you exercise them, in accordance with their terms. The William Hill Directors, who have been so advised by Barclays, Citigroup, and PJT Partners as to the financial terms of the Proposals, consider it fair and reasonable in the context of the Acquisition that no Proposals are being made. In providing their advice to the William Hill Directors, Barclays, Citigroup, and PJT Partners have taken into account the commercial assessments of the William Hill Directors. Barclays is providing

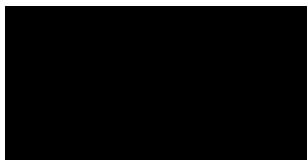
independent financial advice to the William Hill Directors for the purposes of Rule 15(b) of the City Code on Takeovers and Mergers.

Nothing in this letter constitutes financial advice to any holder of shares, share awards or share options in William Hill, Caesars or Caesars UK Bidco.

If you have received this letter electronically via the EquatePlus platform, you may request a hard copy of this letter, free of charge, by contacting the Computershare helpline on +44 (0370) 703 6251 or by emailing [MyPortfolio@computershare.co.uk](mailto:MyPortfolio@computershare.co.uk) and stating your name, and the address to which the hard copy should be sent. You may also request that all future letters, documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.

If there is a conflict between the information in this letter and appendix and the rules of the International Phantom Sharesave or any relevant legislation, the rules and the legislation will prevail.

Yours faithfully

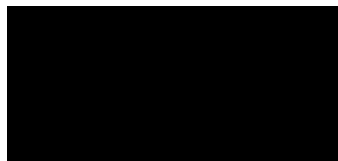


Roger Devlin

For and on behalf of

William Hill PLC

Yours faithfully



Stephanie Lepori

For and on behalf of

Caesars UK Holdings Limited

## Appendix

### A brief explanation of some definitions

**"2020 Phantom Options"** means phantom options granted in 2020 over notional William Hill Shares to employees and former employees of the William Hill Group under the International Phantom Sharesave, which entitle participants to receive a cash sum on exercise;

**"Acquisition"** means the recommended cash offer for the entire issued and to be issued share capital of William Hill made by Caesars UK Bidco, a wholly-owned subsidiary of Caesars;

**"Barclays"** means Barclays Bank PLC, acting through its Investment Bank;

**"Caesars"** means Caesars Entertainment, Inc.;

**"Caesars Directors"** means the directors of Caesars;

**"Caesars Group"** means Caesars Entertainment, Inc. and its subsidiaries and subsidiary undertakings from time to time;

**"Caesars UK Bidco"** means Caesars UK Holdings Limited;

**"Caesars UK Bidco Directors"** means the directors of Caesars UK Bidco;

**"Cash Sum"** has the meaning given to it in section 5;

**"Citigroup"** means Citigroup Global Markets Limited;

**"Court"** means the High Court of Justice in England and Wales;

**"Court Sanction"** means the date on which the Court approves the Scheme under section 899 of the Companies Act 2006;

**"Effective Date"** means the date on which the Scheme becomes effective in accordance with its terms;

**"Exercise Price"** means the price per notional William Hill Share at which you may exercise your 2020 Phantom Options, being £1.45 per notional Share;

**"Instruction"** has the meaning given in section 1;

**"International Phantom Sharesave"** means the William Hill PLC 2012 International Savings Related Phantom Option Plan as amended;

**"PJT Partners"** means PJT Partners (UK) Limited;

**"Proposals"** means the proposals made by Caesars UK Bidco for the purpose of Rule 15 of the City Code on Takeovers and Mergers;

**"Scheme"** means the procedure by which Caesars UK Bidco will become the holder of the entire issued and to be issued ordinary share capital of William Hill;

**"Scheme Document"** means the document setting out the terms of the Scheme dated 26 October 2020 sent to William Hill Shareholders;

**"Scheme Record Time"** means 6.00pm on the business day immediately after the day on which Court Sanction occurs;

**"William Hill"** means William Hill PLC;

**“William Hill Directors”** means the directors of William Hill as at the date of this letter;

**“William Hill Group”** means William Hill and its subsidiaries and subsidiary undertakings from time to time;

**“William Hill Shareholders”** means holders of William Hill Shares; and

**“William Hill Shares”** means ordinary shares with a nominal value of £0.10 each in the capital of William Hill.



The distribution of this letter (in whole or in part) in or into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this letter comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Barclays, which is authorised by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for William Hill and no one else in connection with the Acquisition and shall not be responsible to anyone other than William Hill for providing the protections afforded to clients of Barclays nor for providing advice in connection with the Acquisition or any other matter referred to herein.

Barclays has given and not withdrawn its written consent to the issue of this letter with the inclusion of references to its name in the form and context in which they are included.

Citigroup, which is authorised by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively as financial adviser to William Hill and no one else in connection with the Acquisition and other matters described in this letter, and shall not be responsible to anyone other than William Hill for providing the protections afforded to clients of Citigroup nor for providing advice in connection with the Acquisition or any matter referred to herein. Neither Citigroup nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Citigroup in connection with this letter, any statement contained herein, the Acquisition or otherwise.

Citigroup has given and not withdrawn its written consent to the issue of this letter with the inclusion of references to its name in the form and context in which they are included.

PJT Partners, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for William Hill and no one else in connection with the Acquisition or any other matters described herein and will not be responsible to anyone other than William Hill for providing the protections afforded to clients of PJT Partners or for providing advice in connection with the matters described herein. Neither PJT Partners nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of PJT Partners in connection with this letter, any statement contained herein or otherwise.

PJT Partners has given and not withdrawn its written consent to the issue of this letter with the inclusion of references to its name in the form and context in which they are included.

Neither this letter nor any accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities in any jurisdiction pursuant to the Acquisition (a) in which such offer or invitation is not authorised, (b) in which the person making such offer or invitation is not qualified to do so, or (c) in which, or to any person to whom, it is unlawful to make such offer or invitation or where the making of such offer or invitation would impose any unfulfilled registration, qualification, publication or approval requirements on William Hill, Caesars UK Bidco or any of their respective directors, officers, agents, affiliates and advisers. No action has been taken nor will be taken in any jurisdiction by any such person that would permit a public offering of any securities in any jurisdiction where action for that purpose is required, nor has any such action been taken with

respect to the possession or distribution of this letter other than in any jurisdiction where action for that purpose is required. Neither William Hill nor Caesars UK Bidco nor their respective directors, officers, agents, affiliates or advisers accept any responsibility for any violation of any of these restrictions by any other person.

The William Hill Directors, whose names are set out in section 2.1 of the Scheme Document, accept responsibility for the information contained in this letter, including expressions of opinion, other than information for which responsibility is taken by the Caesars UK Bidco Directors and the Caesars Directors. To the best of the knowledge and belief of the William Hill Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Caesars UK Bidco Directors and the Caesars Directors, whose names are set out in sections 2.2 and 2.3 of the Scheme Document, respectively, accept responsibility for the information contained in this letter, including any expressions of opinion, relating to Caesars UK Bidco, Caesars, the Caesars Group, the Caesars UK Bidco Directors, the Caesars Directors and their respective immediate families and the related trusts of and persons connected with the Caesars UK Bidco Directors or the Caesars Directors, and persons acting in concert with Caesars UK Bidco or Caesars (as such term is defined in the City Code on Takeovers and Mergers). To the best of the knowledge and belief of the Caesars UK Bidco Directors and the Caesars Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.