



Caesars Entertainment to Acquire William Hill for £2.9 Billion

RENO and LAS VEGAS, NV (Sept. 30, 2020) – Caesars Entertainment, Inc. (NASDAQ: CZR) (“**Caesars**”) and **William Hill PLC** (LSE: WMH) (“**William Hill**”) are pleased to announce today that they have reached agreement on the terms of a recommended cash acquisition pursuant to which Caesars will acquire the entire issued and to be issued share capital of William Hill for approximately £2.9 billion (the “**Acquisition**”). The historic acquisition would bring together Caesars as one of the largest gaming-entertainment companies in the U.S. and one of the world’s most diversified gaming entertainment provisions, and William Hill as one of the world’s leading betting and gambling companies. The Acquisition is subject to anti-trust and regulatory approvals and completion is expected to take place in the second half of 2021.

“The opportunity to combine our land based-casinos, sports betting and online gaming in the U.S. is a truly exciting prospect,” said **Caesars Entertainment CEO Tom Reeg**. “William Hill’s sports betting expertise will complement Caesars’ current offering, enabling the combined group to serve our customers in the fast-growing U.S. sports betting and online market. We look forward to working with William Hill to support future growth in the U.S. by providing our customers with a superior and comprehensive experience across all areas of gaming, sports betting, and entertainment.”

“The William Hill Board believes this is the best option for William Hill at an attractive price for shareholders,” said **Roger Devlin, Chairman of William Hill**, commenting on the Acquisition. “It recognizes the significant progress the William Hill Group has made over the last 18 months, as well as the risk and significant investment required to maximize the U.S. opportunity given intense competition in the U.S. and the potential for regulatory disruption in the U.K. and Europe.”

“Under the revitalized senior leadership team, William Hill has been delivering on its strategy and potential. William Hill is one of the world’s leading betting and gambling companies, with a long and proud heritage. It is one of the most recognized brands globally. Over recent years, it has transformed from a business once heavily reliant on U.K. retail into a company that is truly diversified by geography and channel, providing a stable standalone platform for future growth.”

“For now, it is very much business as usual. Employees will be kept fully informed through this process. In terms of our U.K. and International businesses, we believe they have a strong future ahead and we will work with Caesars to find suitable partners to further the long-term growth prospects of these businesses.”

Compelling Strategic Rationale

- Caesars believes that the sports betting and online gaming sector represents one of the largest areas of growth in the U.S. gaming industry, with some analysts recently estimating a potential total addressable market size ranging up to \$30-35 billion, reflecting the acceleration of gaming legislation at the state level, the increased adoption by consumers as gaming becomes more available and continued integration with national sports and media brands.
- Caesars and William Hill currently operate a U.S. joint venture with 20% and 80% equity ownership respectively. Through this joint venture, William Hill runs online sports betting operations through Caesars' market access in each state and retail sports betting operations in Caesars' properties as well as those of other casino operators around the United States. Caesars owns and operates 54 domestic properties in 16 states. The company's resorts operate primarily under the Caesars, Harrah's, Horseshoe and Eldorado brand names.
- Caesars believes that the current joint venture structure between Caesars and William Hill in the U.S. needs to be broadened in scope in order to fully maximize the opportunity in the sports betting and gaming sector and provide the best possible customer experience.
- Caesars believes that a combination of Caesars and William Hill represents a compelling opportunity to improve the offering and experience for the customer:
 - The combined company would be able to utilize the expertise and assets contained in both companies to better serve customers in the highly competitive online gaming and sports betting space throughout the U.S. The combined company's market access across the U.S. would be increased and would benefit from a broad network of sports books locations.
 - The combined company would provide a more unified customer experience by consolidating applications and wallets, and by allowing a more focused branding experience.
 - The combined company would have a world-class portfolio of assets and brands, including William Hill's sports betting expertise, as well as its established technology program and roadmap (including its highly regarded scalable and secure Liberty Technology platform).
 - The combined company will also be afforded the ability to access Caesars' extensive and pre-existing relationships with dozens of sports teams and events including being the Exclusive Casino Sponsor of the NFL.
 - Caesars believes that it is important to align with media companies to enhance customer acquisition and generate excitement and loyalty across multiple products. Currently, Caesars has a multi-year relationship with ESPN, and William Hill has a relationship with CBS Sports.
 - Finally, as part of the combined company William Hill would be afforded new and complete access to Caesars' brand and highly regarded loyalty program (which had approximately 60 million members at the end of 2019), which it currently does not have. Caesars believes this synergistic relationship will benefit all

customers with integrated benefits across various elements of gaming and entertainment, allowing customers to earn tier status and Caesars Rewards that can be used at all of Caesars' land-based and online properties, helping to improve customer experience, reducing churn and increasing customer wallet share.

Together with iGaming, which is currently outside the scope of the joint venture, Caesars expects that the enlarged sports and online gaming business in the U.S. could generate between US\$600-US\$700 million in net revenue in FY2021 (on a pro-forma basis).

Caesars' strategic focus remains on the opportunities immediately evident in the U.S. market at this stage. It believes in the compelling proposition that William Hill's presence in the U.K. and other non-U.S. international markets offers to their gaming customers in those markets and believes those businesses have a strong future. In order to best maximize those propositions and support those businesses' long-term ambitions following completion of the Acquisition, Caesars' intention is to seek suitable partners or owners who have aligned objectives and approaches, and who will be focused on the longer-term ambitions of those businesses and for the benefit of its customers.

Summary of Acquisition

- The boards of William Hill, Caesars and Caesars UK Holdings Limited ("**Caesars UK Bidco**") have reached agreement on the terms of a recommended cash acquisition pursuant to which Caesars UK Bidco shall acquire the entire issued and to be issued share capital of William Hill. The Acquisition is to be effected by means of a scheme of arrangement under Part 26 of the Companies Act.
- The Acquisition values the entire issued and to be issued share capital of William Hill at approximately £2.9 billion.
- Under the terms of the Acquisition, William Hill Shareholders shall be entitled to receive:

for each William Hill Share:

272 pence in cash

representing a premium of approximately:

- 57.6 per cent. to the Closing Price per William Hill Share of 172.55 pence on 1 September 2020 (being the last Business Day before Caesars' first approach to William Hill);
- 80.7 per cent. to the volume weighted average closing price per William Hill Share of 150.54 pence for the three months ended 24 September 2020 (being the last Business Day prior to the commencement of the offer period);
- 112.5 per cent. to the Placing price of 128 pence per William Hill Share on 17 June 2020; and
- 25.0 per cent. to the Closing Price per William Hill Share of 217.60 pence on 24 September 2020.

- The Acquisition is conditional on, amongst other things, the approval of William Hill shareholders.
- The Acquisition shall be put to William Hill Shareholders at the Court Meeting and at the General Meeting. In order to become effective, the Scheme must be approved by a majority in number of the William Hill Shareholders voting at the Court Meeting, either in person or by proxy, representing at least 75 per cent. in value of the William Hill Shares voted. In addition, a special resolution implementing the Scheme must be passed by William Hill Shareholders representing at least 75 per cent. of votes cast at the General Meeting.
- The Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and the General Meeting shall be published in due course.

About Caesars Entertainment, Inc.

Caesars Entertainment, Inc. is one of the largest gaming-entertainment companies in the U.S. and one of the world's most diversified gaming-entertainment providers. Since its beginning in Reno, Nevada, in 1937, Caesars Entertainment has grown through development of new resorts, expansions and acquisitions. Caesars Entertainment's resorts operate primarily under the Caesars®, Harrah's®, Horseshoe® and Eldorado® brand names. Caesars Entertainment offers diversified amenities and one-of-a-kind destinations, with a focus on building loyalty and value with its guests through a unique combination of impeccable service, operational excellence and technology leadership. Caesars Entertainment is committed to its employees, suppliers, communities and the environment through its PEOPLE PLANET PLAY framework. For more information, please visit www.caesars.com/corporate.

About William Hill

William Hill PLC is now one of the world's leading betting and gaming companies, employing over 16,000 people. Its origins are in the UK where it was founded in 1934, and where the company is listed on the London Stock Exchange. With headquarters in London and Leeds it has a national presence of licensed betting offices in Great Britain and Northern Ireland and is one of the country's leading online betting and gaming services. In 2012, it established William Hill US with a focus on retail and mobile operations in Nevada, which is now the largest sports betting business in the USA. William Hill US (www.williamhill.us) currently operates 113 race and sports books in Nevada and the state's leading mobile sports betting app. William Hill is operating in New Jersey at Monmouth Park Racetrack, Ocean Resort Casino, Tropicana Atlantic City, and online with the William Hill New Jersey sports betting app as well as in Indiana, Iowa, and West Virginia. William Hill is a licensed sports betting provider in numerous casinos in Mississippi, Pennsylvania, Rhode Island, and New Mexico, and serves as the exclusive risk manager for the sports lottery in Delaware. William Hill has licensed operations in The Bahamas, Italy, Spain and Sweden and serves online customers in the UK, Ireland and throughout the world from its digital hubs in Gibraltar and Malta. William Hill's acquisition of Mr Green in January 2019, in line with its strategy to diversify internationally, significantly expanded its European footprint, and provided an established hub in Malta from which to continue to grow the international business.

Forward-Looking Statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by William Hill, any member of the William Hill group (the "William Hill Group"), Caesars, Caesars UK Bidco or

any member of the Caesars group (the “**Caesars Group**”) contain statements which are, or may be deemed to be, “forward looking statements”. Such forward looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which William Hill, any member of the William Hill Group, Caesars, Caesars UK Bidco, any member of the Caesars Group or the combined William Hill Group and Caesars Group’s (the “**Enlarged Group**”) shall operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements.

The forward-looking statements contained in this announcement may relate to William Hill, any member of the William Hill Group, Caesars, Caesars UK Bidco or any member of the Caesars Group or the Enlarged Group’s future prospects, developments and business strategies, the expected timing and scope of the Acquisition and other statements other than historical facts. In some cases, these forward looking statements can be identified by the use of forward looking terminology, including the terms “believes”, “estimates”, “will look to”, “would look to”, “plans”, “prepares”, “anticipates”, “expects”, “is expected to”, “is subject to”, “budget”, “scheduled”, “forecasts”, “synergy”, “strategy”, “goal”, “cost-saving”, “projects” “intends”, “may”, “will”, “shall” or “should” or their negatives or other variations or comparable terminology. Forward-looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of William Hill, any member of the William Hill Group, Caesars, Caesars UK Bidco or any member of the Caesars Group’s operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on William Hill, any member of the William Hill Group, Caesars, Caesars UK Bidco or any member of the Caesars Group’s business.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that shall occur in the future. These events and circumstances include changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or disposals. If any one or more of these risks or uncertainties materializes or if any one or more of the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Such forward looking statements should therefore be construed in the light of such factors.

None of William Hill, any member of the William Hill Group, Caesars, Caesars UK Bidco or any member of the Caesars Group, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement shall actually occur. Given these risks and uncertainties, potential investors should not place any reliance on forward looking statements.

Specifically, statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature involve, risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. Due to the scale of the Enlarged Group, there may be additional changes to the Enlarged Group’s operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.

The forward-looking statements speak only at the date of this announcement. All subsequent oral or written forward-looking statements attributable to William Hill, any member of the William Hill Group, Caesars, Caesars UK Bidco or any member of the Caesars Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

William Hill, each member of the William Hill Group, Caesars, Caesars UK Bidco and each member of the Caesars Group expressly disclaim any obligation to update such statements other than as required by law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

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Contacts:

Caesars Entertainment, Inc.

Investor Relations:

Brian Agnew, bagnew@caesars.com

Charise Crumbley, ccrumbley@caesars.com

Media Relations:

Katie Carano Miller, KCarano-Miller@caesars.com

Celena Haas-Stacey, chaas@caesars.com

Chelsea Ryder, cryder@caesars.com

UK Media Relations:

Teneo

Ben Foster, ben.foster@teneo.com

Charles Armitstead, charles.armitstead@teneo.com