

▶ Regulation, technology and online – where the market is heading

1 A supercycle driven by a trend towards regulation

Regulatory developments continue to be a primary driver of growth in the global gambling industry. Jurisdictions that introduce new regulatory frameworks often experience rapid market expansion in the early stages. This makes it essential for operators and technology providers to establish a presence in markets that are either newly regulated or on course to regulate.

However, this initial growth phase typically tapers off over time. Contributing factors include intensified competition as more entrants join the market, demographic saturation, and the gradual tightening of regulatory requirements.

Currently, Playtech is well-positioned in several key markets worldwide that are either progressing towards regulation or have recently implemented regulatory frameworks. In the following section, we provide a regional analysis of these developments and their implications for future growth.

>200

Licensees served by Playtech

>50

Regulated jurisdictions we operate in

>80%

Proportion of revenue from regulated markets



US and Canada

Overview

The regulatory framework in the US and Canada is decentralised, with each US state and Canadian province setting its own rules. Since the repeal of PASPA in 2018, more than 30 US states have legalised online sports betting, while iGaming is regulated in nine states, including Nevada, which permits online poker only.

Recent changes

Progress on iGaming regulation in the US remained slow throughout 2025. While Maine's decision to regulate online casino in January 2026, granting exclusive rights to Wabanaki tribes, was a welcome development, it does not indicate a broader acceleration in regulatory activity. Long-term momentum towards wider legalisation persists, but we still expect progress to remain gradual in 2026. Despite this slow pace, several US states including Massachusetts, Maryland and New York are actively considering iGaming legislation.

In Canada, Alberta is emerging as the next major opportunity following the introduction of its new iGaming regulatory framework in January 2026, with the province preparing to formally launch a competitive online gambling market later in the year.

Market growth¹



Latin America

Overview

The regulatory landscape for online gambling in Latin America is evolving rapidly, highlighted by the recent formal launches of markets such as Brazil (January 2025) and Peru (February 2024). These jurisdictions have joined a growing group of countries, including Mexico, Colombia and Panama, that have successfully established locally regulated online gambling markets.

Recent changes

Brazil's launch of a national licensing regime marked a major milestone in Latin America's transition towards a regulated online gambling landscape. Taxation is emerging as a critical theme. Governments are increasingly viewing online gambling as a source of fiscal revenue, with recently announced tax increases in Brazil and Mexico signalling a shift towards tighter fiscal frameworks.

In Colombia, taxation remains a key issue for the sector. During 2025, operators were impacted by an emergency 19% VAT on player deposits introduced in February. Subsequently, following a brief attempt to improve taxation framework in early 2026, the Colombian government introduced a more favourable 16% consumption tax on players' GGR in March.

Market growth¹



¹ Market growth based on 2025 – 2028 GGR CAGR estimates; source H2GC.



Europe

Overview

Europe presents a more intricate regulatory landscape compared to North America. While countries such as France, Finland and Austria are actively progressing towards regulation or modernisation of their online gambling frameworks, others such as Italy and Spain are already mature markets with well-established regulatory regimes.

Recent changes

Throughout 2025, legislative and regulatory developments across Europe have varied. France has seen limited legislative movement in 2025, whereas Finland has advanced its plans to transition to a competitive licensing model, and Ireland has progressed with establishing a dedicated regulator for the gambling sector.

Market growth¹



UK

Overview

The UK stands out as one of the largest and most mature online gambling markets globally, renowned for its well-established regulatory framework, which combines robust consumer protection measures, stringent licensing requirements and comprehensive advertising standards, making it a benchmark for other jurisdictions seeking to regulate online gambling effectively.

Recent changes

Following the introduction of a statutory levy on licensed gambling activity and online slot stake limits in Q2 2025, the UK government announced further fiscal measures in the 2025 Budget.

These included a significant increase in Remote Gaming Duty from 21% to 40%, effective April 2026, and the introduction of a new 25% General Betting Duty on remote sports betting from April 2027.

Market growth¹



Africa

Overview

With a population exceeding 1.5 billion and a growing, mobile-first demographic, Africa represents a vast and largely untapped market for online gambling. Rapid improvements in digital infrastructure, rising smartphone adoption, and a growing trend towards regulatory clarity are unlocking new avenues for sustainable growth across the continent.

Recent changes

South Africa remains one of the region's largest and most influential gambling markets, providing an important anchor for broader industry trends in Africa. Building on this foundation, 2025 saw multiple jurisdictions introduce regulatory changes, particularly around gambling taxation and strengthened oversight, as exemplified in Kenya.

At the same time, responsible gambling is emerging as a key regulatory priority across the continent, signalling a shift towards more structured and sustainable market development.

Market growth¹



2 Harnessing data and technology for safer gambling

At Playtech, we view safer gambling not merely as a regulatory requirement but as a definitive opportunity to lead the industry towards a more sustainable and responsible future.

Across regulated and regulating markets, regulators are increasingly requiring operators to deploy advanced technology and data-driven solutions to proactively safeguard players. Brazil's landmark regulatory framework, introduced in 2025, exemplifies this shift with stringent identity verification, real-time transaction monitoring and a national self-exclusion system, setting a new standard for Latin America. The developments in Brazil mirror existing regulatory and licensing requirements in well-established iGaming markets such as the UK, Netherlands and US states such as New Jersey.

Technology is at the heart of this transformation. AI-powered behavioural analytics, adaptive friction tools and cross-channel integration now enable operators to detect risk patterns early and intervene with precision. These innovations are not only enhancing compliance but redefining the player experience by making safety an integral part of engagement.

Playtech is proud to be at the forefront of this evolution. Through our safer gambling technology and services offering, Playtech Protect, we are leveraging AI-driven solutions to deliver real-time behavioural insights to identify at-risk players and deliver personalised intervention. Our strategy is supported with research and non-profit partners, such as UNLV and Kindbridge, which help inform the advancement of our technology offering and contribute to industry-wide efforts to strengthen player protection safeguards.

3 Technology – multiple, emerging technologies about to hit mainstream adoption

Data and AI

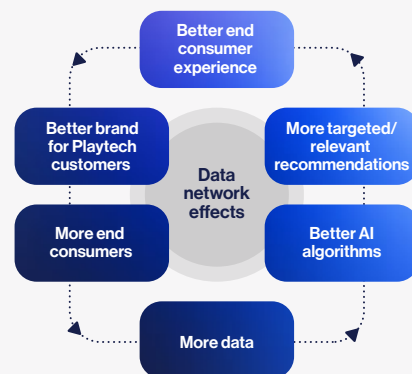
Overview

The digitisation of the world is generating unprecedented volumes of data from countless sources, with more data created every two years than in all prior history combined. In online gambling, the true competitive advantage lies not in sheer data volume, but in accessing the right datasets and extracting actionable insights. Companies that attract large user bases gain a critical edge: they can train advanced AI algorithms on richer behavioural data, enabling hyper-personalised experiences, from tailored game recommendations to dynamic bonus structures. This creates powerful data network effects where better personalisation drives higher engagement, which in turn generates more data and should further improve AI accuracy and reinforce user loyalty.

Impact on the industry/Playtech

Data-driven insights are the cornerstone of the online gaming industry, shaping every aspect of the player lifecycle. Leveraging advanced analytics and AI enables operators to:

- Deliver hyper-personalised experiences that increase engagement and revenue per customer
- Enhance customer acquisition through intelligent, data-driven marketing strategies
- Improve operational efficiency through automation and predictive decision-making
- Strengthen player protection by detecting fraud and identifying early signs of gambling harm, fostering a safer and more responsible industry



Playtech's scale provides access to vast, high-quality datasets – a critical advantage in training AI models for personalisation and responsible gaming. To capitalise on this, Playtech is continuing to invest in AI capabilities, advanced analytics, business intelligence (BI) and safer gambling tools, ensuring it remains at the forefront of innovation while promoting sustainable growth.

The PAM+ platform, combined with Playtech's engagement suite, is continuously enhanced to integrate advanced automation and real-time decision-making across every phase of the player lifecycle. This ensures operators can deliver an unparalleled gaming experience while meeting evolving regulatory requirements and player protection standards.

Blockchain and Web3 integration

Overview

Blockchain and Web3 technologies are introducing transparency and decentralisation into online gambling. By enabling verifiably fair gaming, instant payouts and secure digital wallets, blockchain addresses long-standing trust issues in the industry. Web3 adds new dimensions through tokenised rewards, NFT-based loyalty programme, and decentralised identity solutions, creating more immersive and player-centric ecosystems. While full decentralisation remains a long-term vision, hybrid models that combine traditional platforms with blockchain features are rapidly gaining traction as operators seek differentiation in an increasingly competitive market.

Impact on the industry/Playtech

Blockchain is transforming trust and payments in online gambling. It enables frictionless cross-border transactions, reducing reliance on traditional payment systems and lowering costs for operators and players. Cryptographically protected transaction records enhance compliance and anti-fraud measures at a time of increasing regulatory scrutiny. Early adopters can gain a trust advantage and access to crypto-native audiences, a fast-growing and highly engaged demographic. Playtech continues to explore future use cases for blockchain and Web3 technology.

Real-time data streaming and micro-betting

Overview

Real-time data streaming is transforming online gambling by enabling ultra-fast delivery of live sports data, odds updates and event outcomes. Combined with low-latency technologies and cloud-native architectures, this capability powers micro-betting, which involves wagering on highly granular, short-duration events, for example, the next point in tennis. The rise of 5G networks and edge computing accelerates this trend by providing high bandwidth and near-zero latency, ensuring that odds and video streams remain perfectly synchronised with live events. This creates a seamless experience for players who can watch, analyse and bet in real time, particularly on mobile devices. As consumer demand shifts towards instant gratification and interactive betting, real-time streaming becomes a critical enabler of engagement and revenue growth.

Impact on the industry/Playtech

Real-time streaming doesn't just enable micro-betting, it changes the economics of sports wagering. By introducing high-frequency, event-driven bets, operators can significantly increase betting volume and session length. This shift also demands robust infrastructure for instant odds calculation, risk management and compliance monitoring, creating a barrier to entry for smaller players.

Playtech's scale and technology leadership underpin its ability to deliver next-generation betting experiences. A key product enhancement is our Bet Builder functionality, now available across all sports, which allows players to create highly personalised wagers and supports the growing trend towards granular, micro-market betting. This is complemented by AI-driven player segmentation and real-time risk management, which together ensure dynamic odds, personalised engagement, and integrity at scale. Additionally, Playtech's strategic 49% stake in LSports provides unique access to ultra-low-latency sports data – a critical enabler for micro-betting and in-play markets.

4 Continuing shift to online

Live: leading the shift to authentic real-time entertainment

Overview

Live Casino is one of the most compelling growth opportunities in the industry, and its trajectory over the coming years is expected to be transformative.

Two powerful trends are driving this expansion.

First, the global shift from retail to online continues to accelerate as digital adoption deepens – a movement that gained significant momentum during the COVID-19 pandemic and shows no signs of slowing.

Second, players increasingly demand authentic, immersive experiences that replicate the excitement of real-world play while leveraging the convenience of digital platforms.

The ongoing convergence of these forces is expected to drive exceptional growth, with industry analysts projecting the Live market to nearly double, reaching \$29.5 billion in GGR by 2030, up from \$15.5 billion in 2025, representing a CAGR of 14%.

Impact on the industry/Playtech

Playtech has made substantial investments to strengthen its position in this highly attractive product vertical:

- 17 state-of-the-art studios are currently operational, including newly launched Sao Paulo studio in Brazil
- c.500 tables are now live, more than double the count from four years ago, reflecting strong growth and rising demand
- We have invested significantly in cutting-edge technology and premium content, ensuring an unparalleled player experience
- We have expanded our landmark “Live from Vegas” offering in partnership with MGM Resorts International through the launch of a broadcast glass studio, open 24/7 on the MGM Grand casino floor and streaming interactive table games, including the world-renown title Family Feud, to regulated markets outside the US

These investments are already in place, and the Live Casino business model offers significant scalability as additional players can join tables at minimal incremental cost. This creates good operating leverage, making Live Casino margin-accretive to the overall B2B division.

Underpenetrated online markets in Americas and Europe

Overview

The COVID-19 pandemic accelerated the shift towards online gambling as retail venues closed during lockdowns and customers, with more time at home, turned to digital platforms. This trend has proven sticky post-pandemic. By 2025, online penetration has risen significantly compared to 2019 levels across the US, Canada, Latin America and several major EU countries.

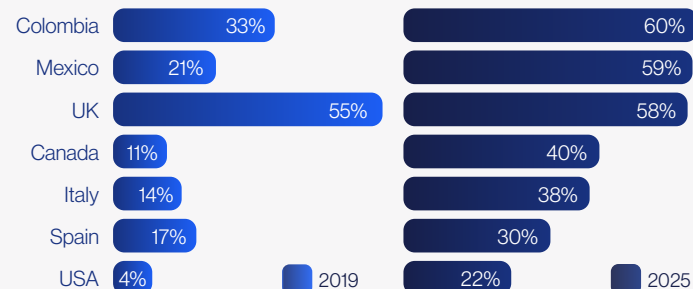
There is still ample runway for further migration. Using the UK as a mature market benchmark, online penetration reached 58% in 2025, compared to Italy at 38%, Spain at 30% and the US at 22%. This gap underscores the long-term opportunity as consumer adoption continues to rise.

Elsewhere, Colombia and Mexico are showing rapid acceleration, with 2025 online penetration reaching 60% and 59%, respectively, already surpassing the UK despite being far earlier in their maturity cycle. Brazil's somewhat unique market dynamics, driven by recent regulation of online gambling and a minimal retail footprint, have resulted in online penetration of 98% in 2025.

Impact on the industry/Playtech

- Playtech is actively expanding its presence in the US and Canada, with revenue growing 61% year-on-year to €48 million in 2025
- In Europe, we continue to hold strong positions in key markets that are steadily migrating online:
 - In Italy, Playtech is a leading B2B supplier, serving more than 20 operators in a market that remains on a clear path toward online growth
 - In Spain, our Live offering commands more than 70% market share, demonstrating both the strength of our product offering and the substantial upside potential as online penetration increases
- In Latin America, we are capitalising on strong momentum in online-weighted markets such as Brazil, while in Mexico, the 2026 World Cup presents a major opportunity for Caliente to further extend its market leadership

Online Penetration



Sports: powering next-generation betting experiences

Overview

As the market shifts to online, the Sports segment is impacted by multiple trends:

- Growth in in-play and micro-betting, with wagers becoming increasingly short-term and focused on individual moments or player actions
- Integration of sports betting with media streaming, social engagement and interactive features creating a more engaging and dynamic user experience
- Expansion of data sources, including player fitness and performance metrics, combined with AI-driven personalisation to deliver tailored betting markets and recommendations
- Increased use of gamification mechanics such as leaderboards, achievements, social pools, and the rise of alternative betting formats such as eSports and player-focused markets

Impact on the industry/Playtech

- To meet the growing demand for complex, data-driven and immersive betting experiences, we offer operators a fully managed sportsbook solution that delivers top-tier performance and negates the complexity of in-house development
- Building on our success with Caliente, we are laying the foundations for next-generation sports betting in Latin America by introducing fully managed, data-driven sportsbook solutions designed to support the region's ongoing shift to online
- On the product side, our Bet Builder functionality is now available across all sports and brands, enhancing player engagement and flexibility in line with the trend towards granular and personalised betting
- We have further strengthened sports platform performance and scalability through next-generation architecture upgrades, supported by AI-driven player segmentation, real-time risk management, and predictive analytics powered by machine learning in our proprietary data feeds, delivering faster, more accurate odds and a highly personalised Bet Builder experience
- Looking ahead, we are proactively investing in product development. Our 49% stake in LSports provides unique access to real-time sports data, which is a notable enabler for next-generation betting products