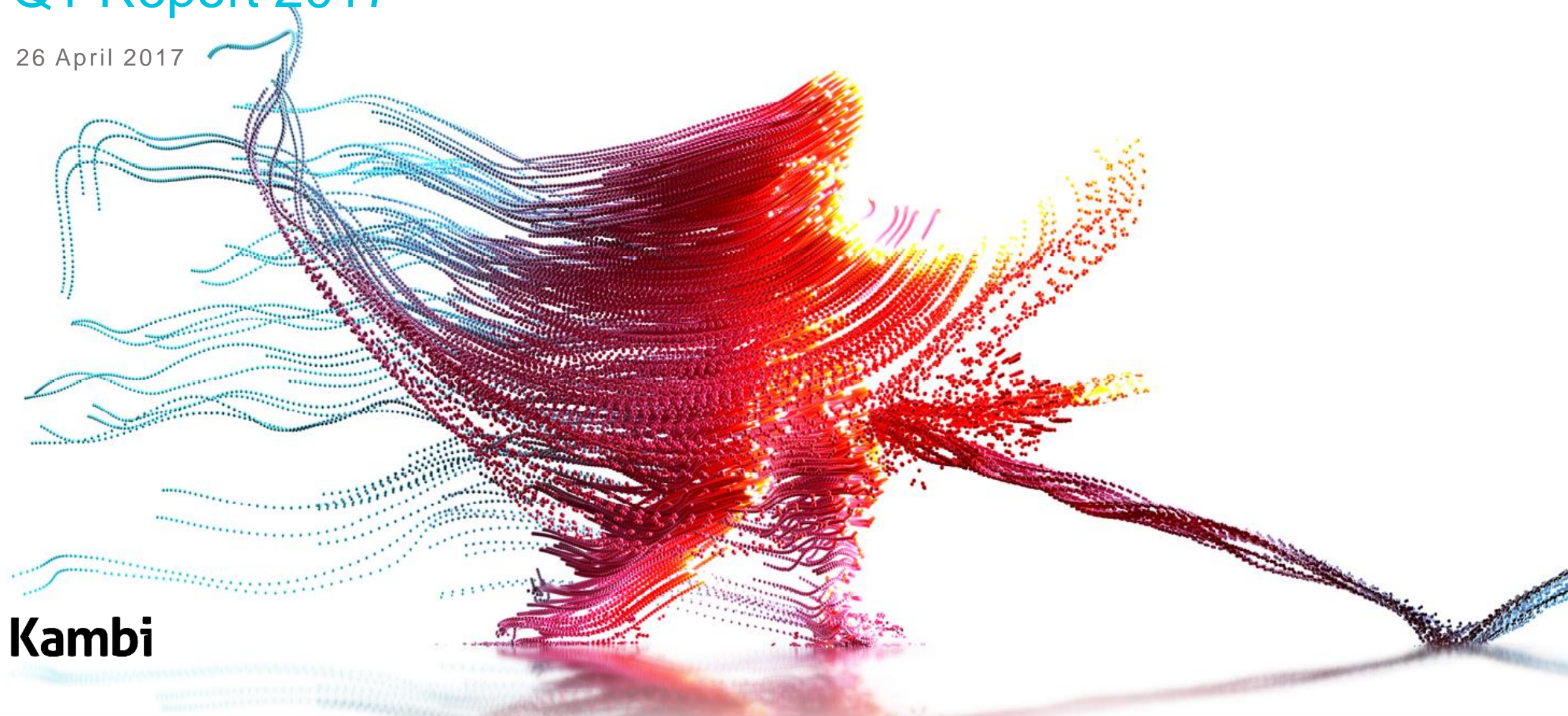


# Kambi Group plc

## Q1 Report 2017

26 April 2017



**Kambi**

# Outline for today

- 1 Kambi overview and highlights
- 2 Financial update
- 3 New customer signing
- 4 Regulation update
- 5 Retail update
- 6 Summary
- 7 Q&A

# Kambi overview

## TOP PERFORMING OPERATORS

888  
sport

UNIBET

 Napoleon Games  
PLAY WHEN FEELING LUCKY

  
R. FRANCO

 paf

 mr green

**Suertia**

  
NAGAWORLD®  
PHNOM PENH  
金界

**32RedSport**

  
Televisa

  
LeoVegas.com

 Rank Group

**green  
...tube**

NOVOMATIC INTERACTIVE

## TURNKEY SPORTS BETTING SERVICE



**571**  
EMPLOYEES

LONDON  
MALTA  
STOCKHOLM  
BUCHAREST

MANILA

SYDNEY

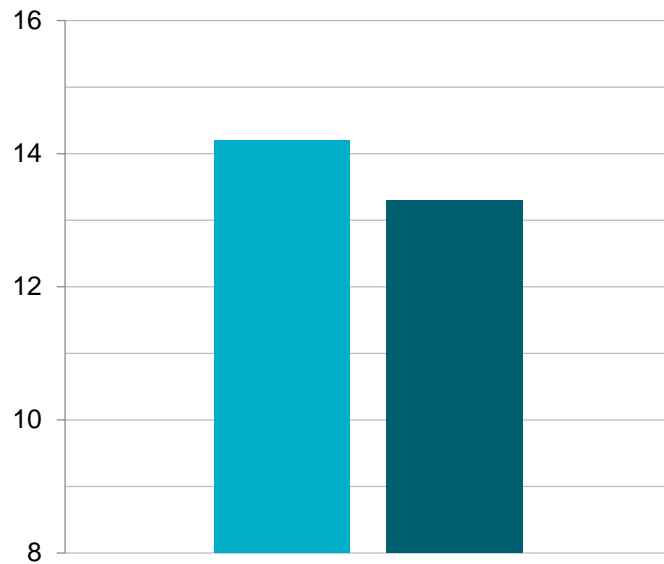
# Highlights and key events



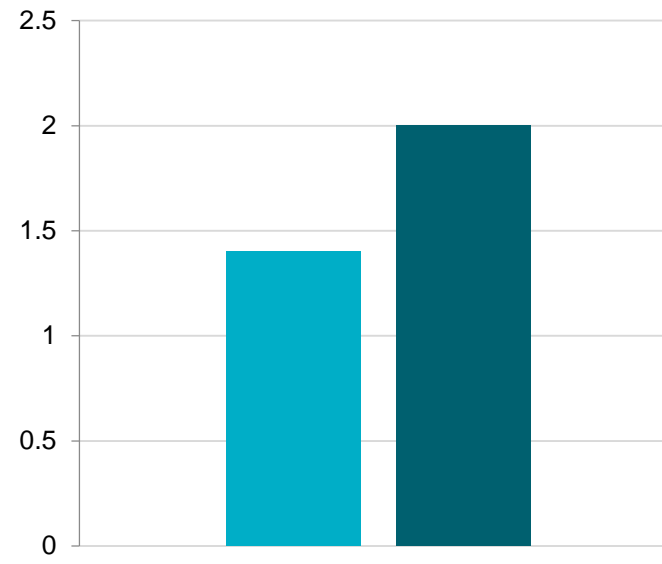
- Strong turnover growth from our operators
- Continued solid cash flow generation
- Quarter significantly affected by player-friendly results
- One new customer agreement: Greentube
- Kambi awarded the ISO 27001:2013 certification

# Financial headlines

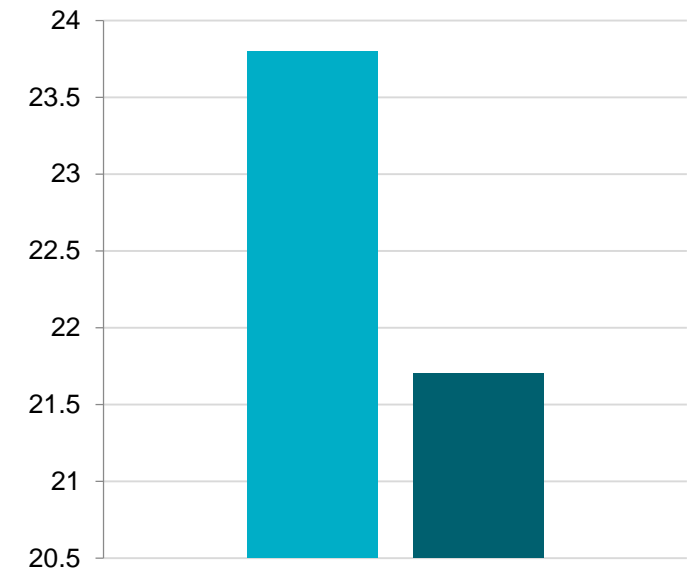
## Revenue (€m)





## Operating Profit (€m)



## Net cash (€m)

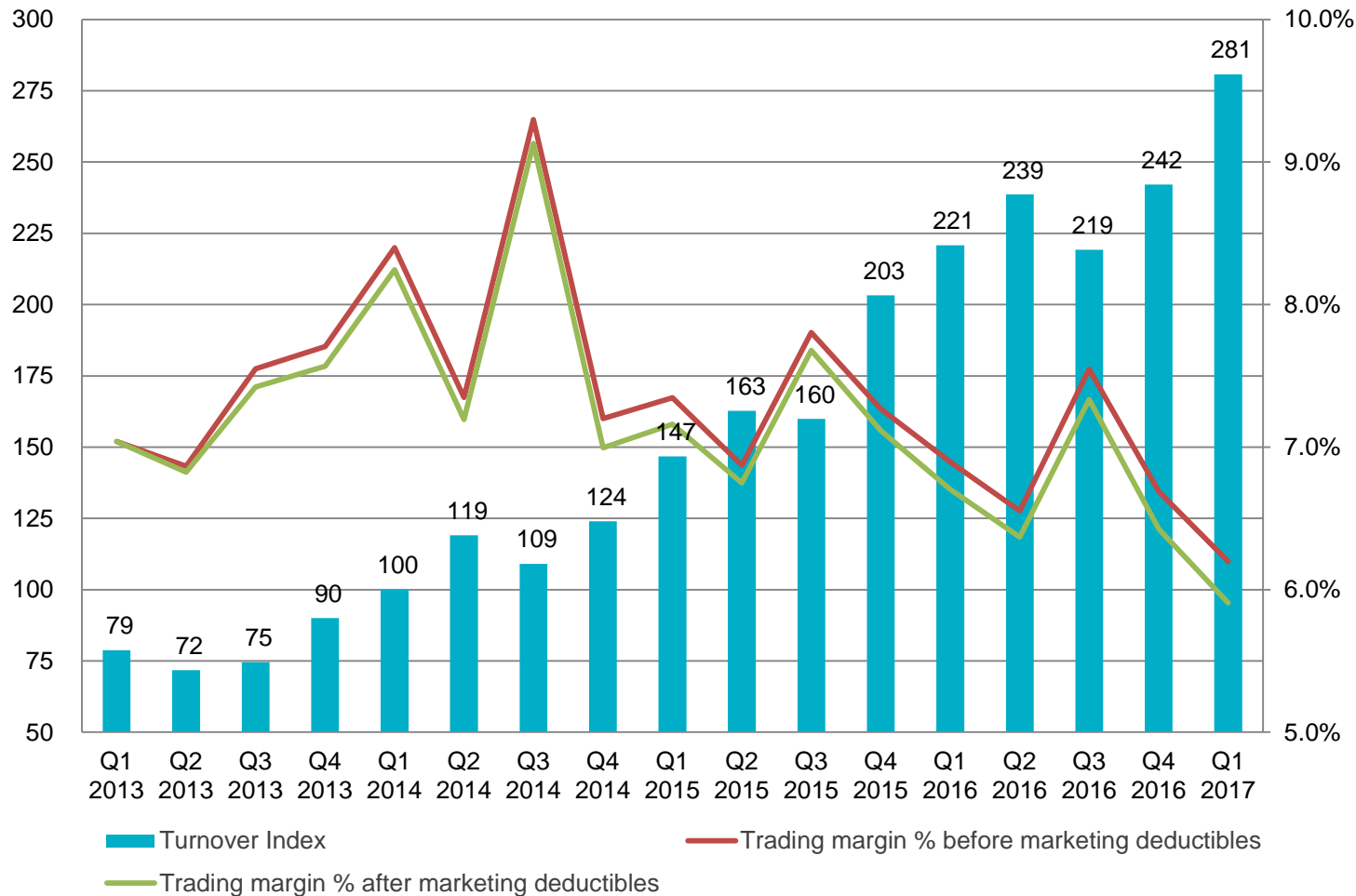


 Q1 2017

 Q1 2016

# Operator trading analysis

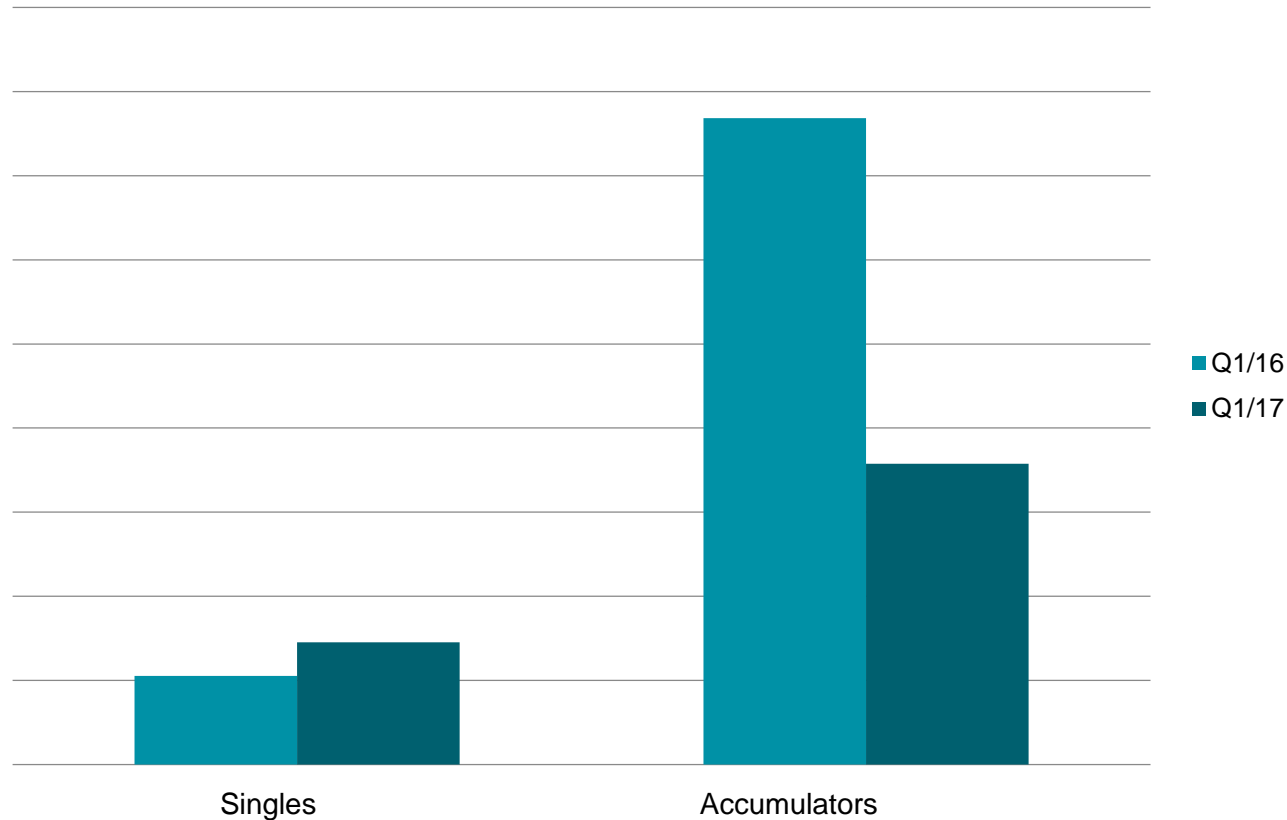
## Operator turnover & trading margin



- The graph shows Kambi's operators' quarterly betting turnover and trading margin
- Operator turnover increased by 27% compared to Q1 2016
- Player-friendly results accentuated by accumulators led to a lower than average trading margin
- Operator margin before marketing deductibles was 6.2%

# Operator trading analysis

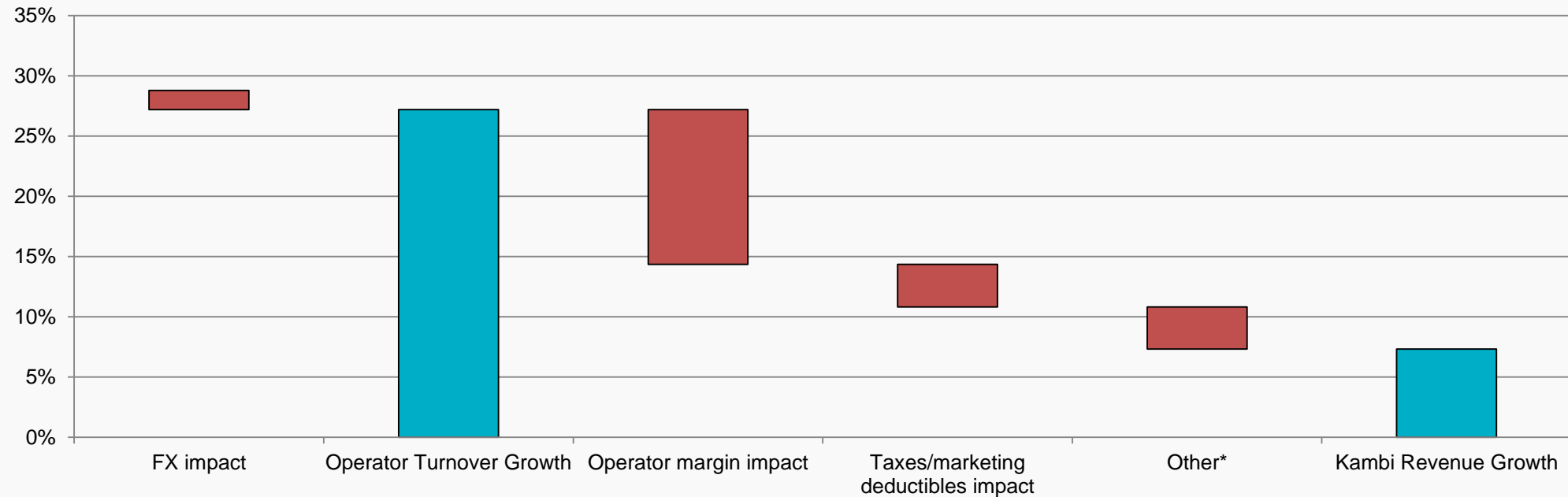
## Accumulators



- The chart shows the effect of player friendly sporting results during the last two quarters
- Accumulators have a higher and more volatile margin than single bets
- The trading margin for single bets is higher for Q1 2017 than in Q1 2016, while the trading margin for accumulators has almost halved

# Growth in operator turnover and Kambi revenue

## Q1 2017 vs Q1 2016



\*Other includes the impact of volume-related commission tiers and fixed revenues



# Income statement

€m	Q1 2017	Q1 2016
Revenue	14.2	13.3
Operating expenses	-12.9	-11.3
Operating profit	1.4	2.0
Finance costs / Tax	-0.3	-0.2
Profit after tax	1.1	1.8

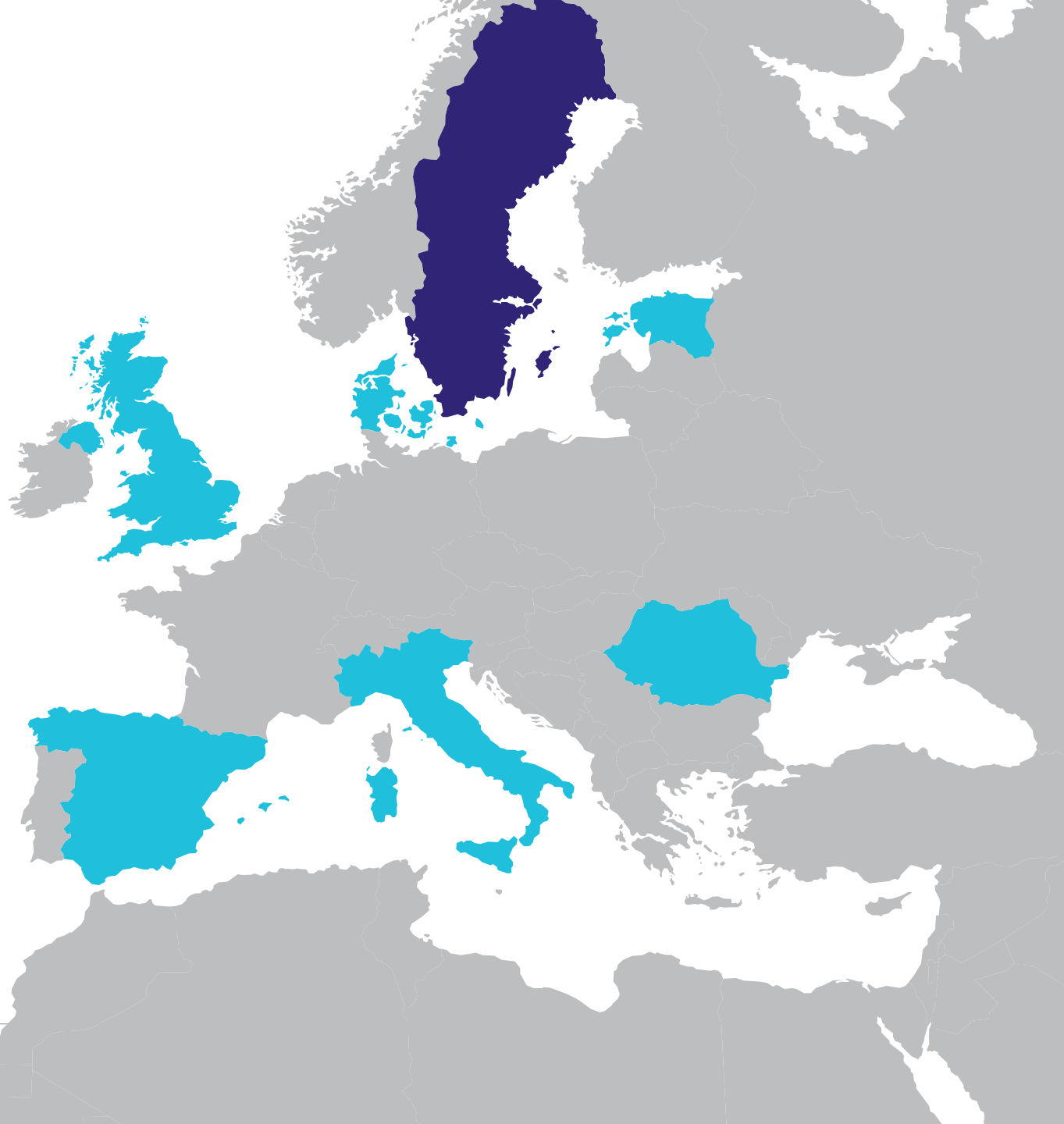
## Agreement signed with Greentube



- Agreement signed with operator Greentube, a subsidiary of Novomatic
- Kambi to provide sports betting services to complement Greentube's online casino brands in regulated markets such as Spain, Italy, Germany and Romania
- We expect Greentube to launch into its first markets during the summer

# Regulation update

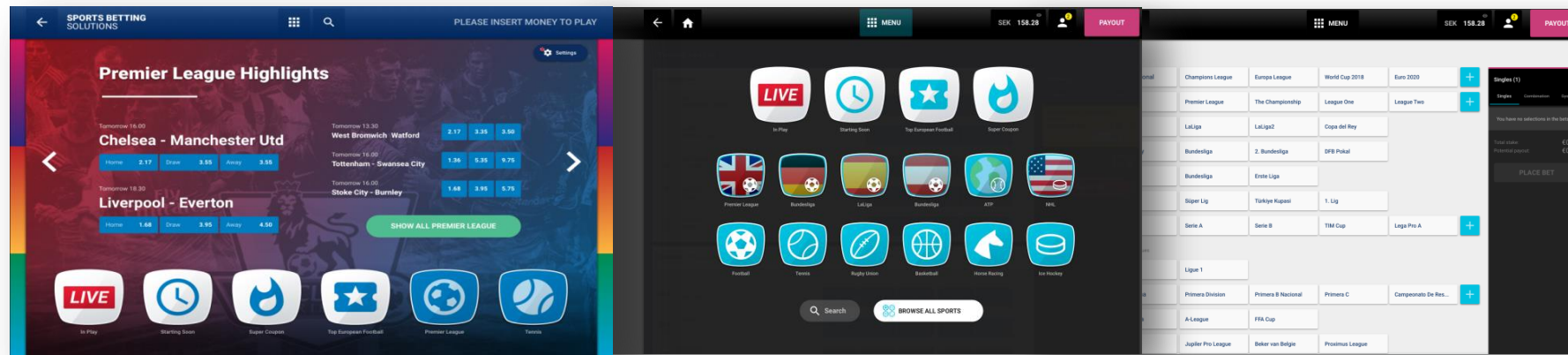
- Sweden is planning to regulate the online gambling market in 2019
- The Swedish market is one of the most important jurisdictions for Kambi
- The suggested tax rate of 18% will impact revenues both for Kambi and its operators
- For Kambi, this can lead to opportunities to sign new operators such as the state owned operators as well as new entrants to the market




# Bringing the online pace to the retail space

## Retail Advancements

- A major retail gap was closed with a new User Interface for the self service terminals
- The depth, speed and quality of the online product, with optimised interaction and content presentation for the retail space.
- Built on the same empowerment platform that all Kambi operators have access to
- Showcases Kambi's *Scalable Differentiation* model to deliver the most relevant *User Experience*



# Summary



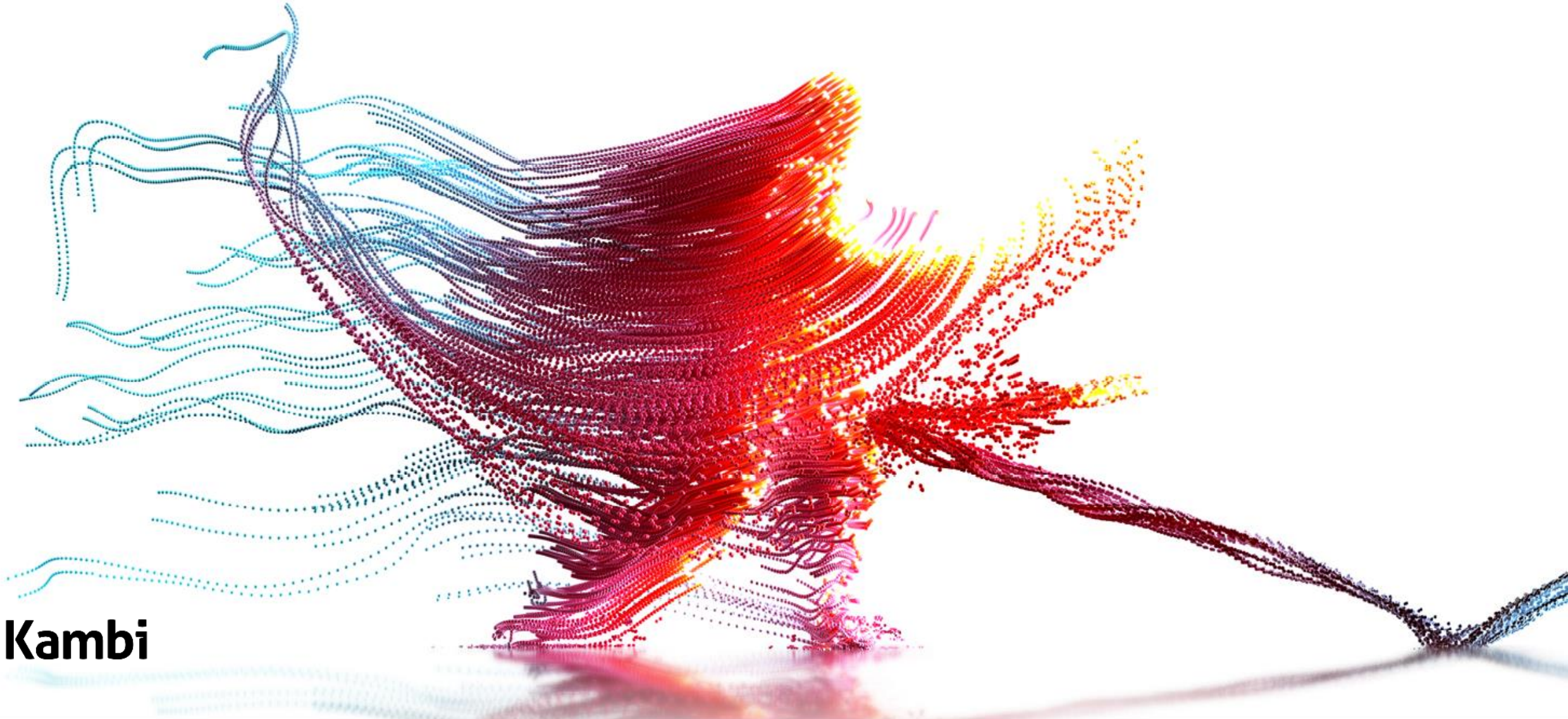
Player-friendly  
outcomes impacted  
the trading margin

New customer  
signing - Greentube

Strong growth in  
our operators'  
turnover, up 27%

Thank you

Q&A



**Kambi**