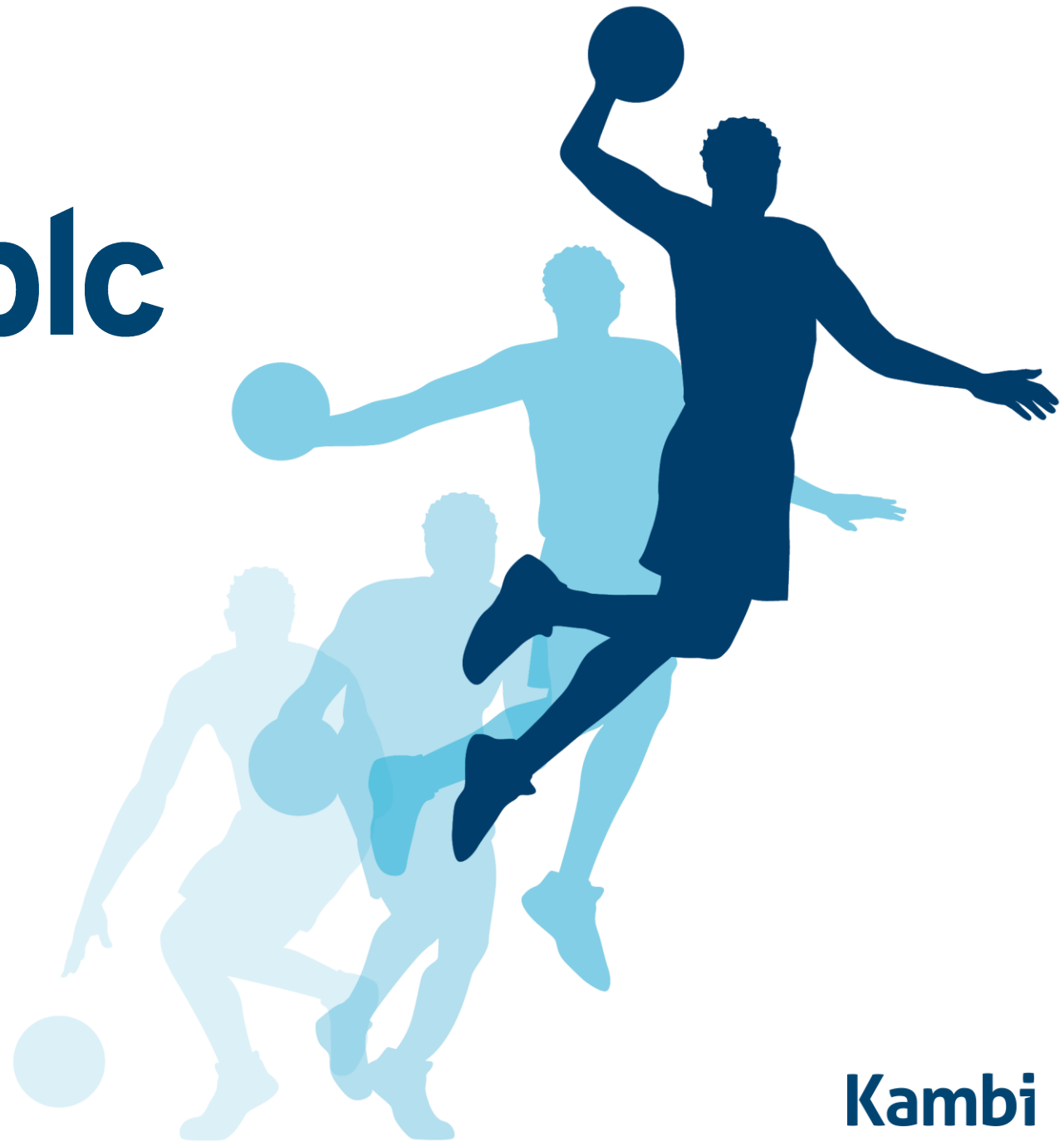


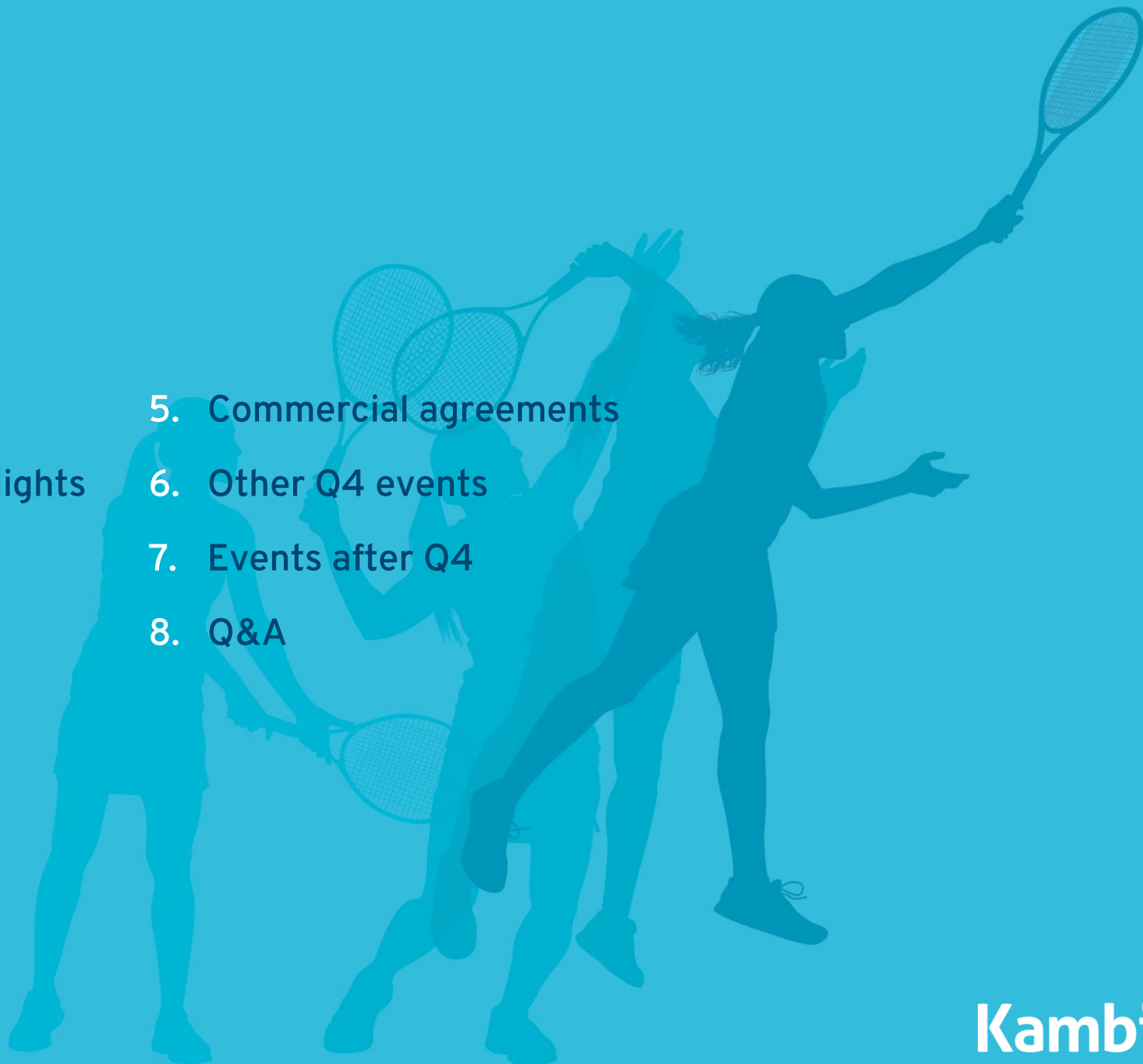
# Kambi Group plc

Q4 Report  
13 February 2020, London



# Agenda

1. Kambi overview
2. Year and quarterly highlights
3. Financial update
4. Partner update
5. Commercial agreements
6. Other Q4 events
7. Events after Q4
8. Q&A



# Kambi at a glance

Leading B2B provider of premium end-to-end sports betting services



**A global organisation**

**865**  
employees

Australia | Malta | Philippines | Romania | Sweden | U.K. | U.S.

# Kambi at a glance

Leading B2B provider of premium sports betting services

## Business model

- Kambi mainly operates on a revenue share model, thus Kambi's growth is dependent on its operators' success
- The foundation of the strategy is based on scalability and the majority of its cost base is fixed
- Continuous investment into proprietary technology to maintain its market leadership
- Highest level of corporate probity and integrity

## 20+ Operators



# Kambi 2020 brand video



# Kambi 2019 in review

Another successful year



Signed six new customers, further strengthening the Kambi network



Expanded reach into multiple new markets, including five US states



Market firsts in Pennsylvania, New York, Indiana and New Hampshire



Continued to invest in product to deliver the leading sportsbook product



A record 11 Kambi partners were named among the EGR Power 50, a list of the most powerful and influential online operators in the online gaming industry

# Highlights

## A record quarter

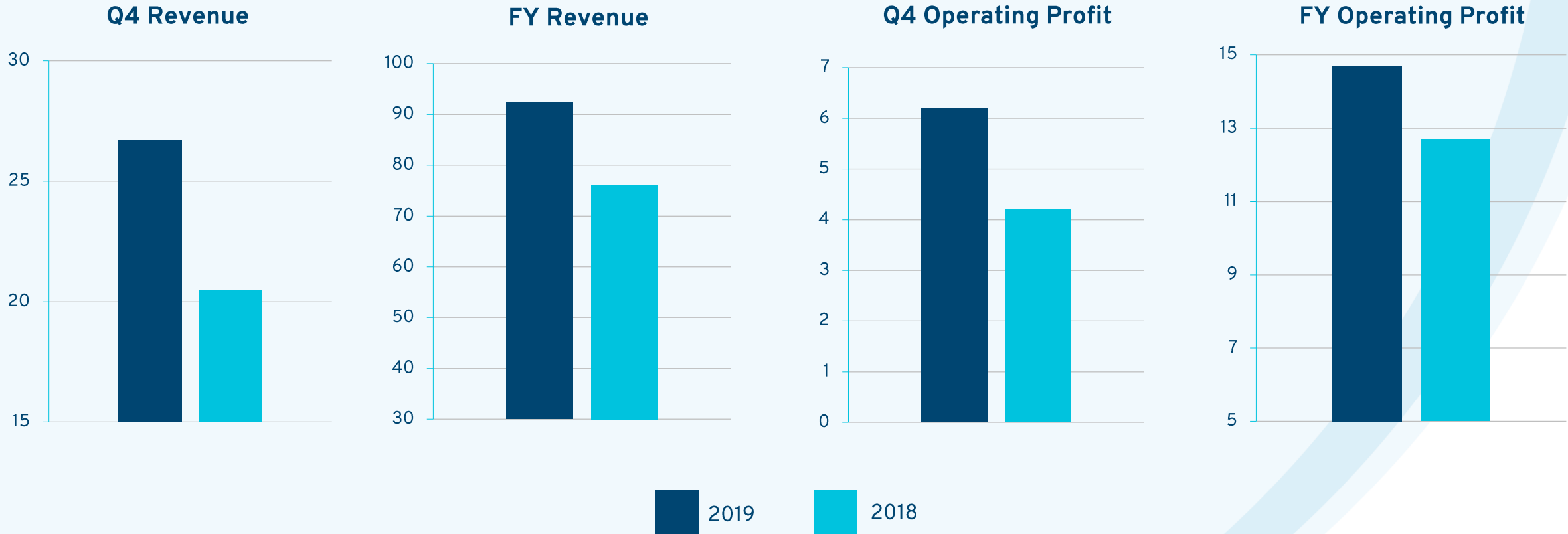
- Strong financial performance with 23% year-on-year revenue growth
- Operator turnover growth of 52% with an operator trading margin of 7.4%
- Full-year 2019 revenue up 21% and operator turnover up 37%
- Signed major US tribal gaming partner in Seneca Gaming Corp.
- Launched partners into five different US states



**52%**  
**Operator turnover growth**

# Financial headlines

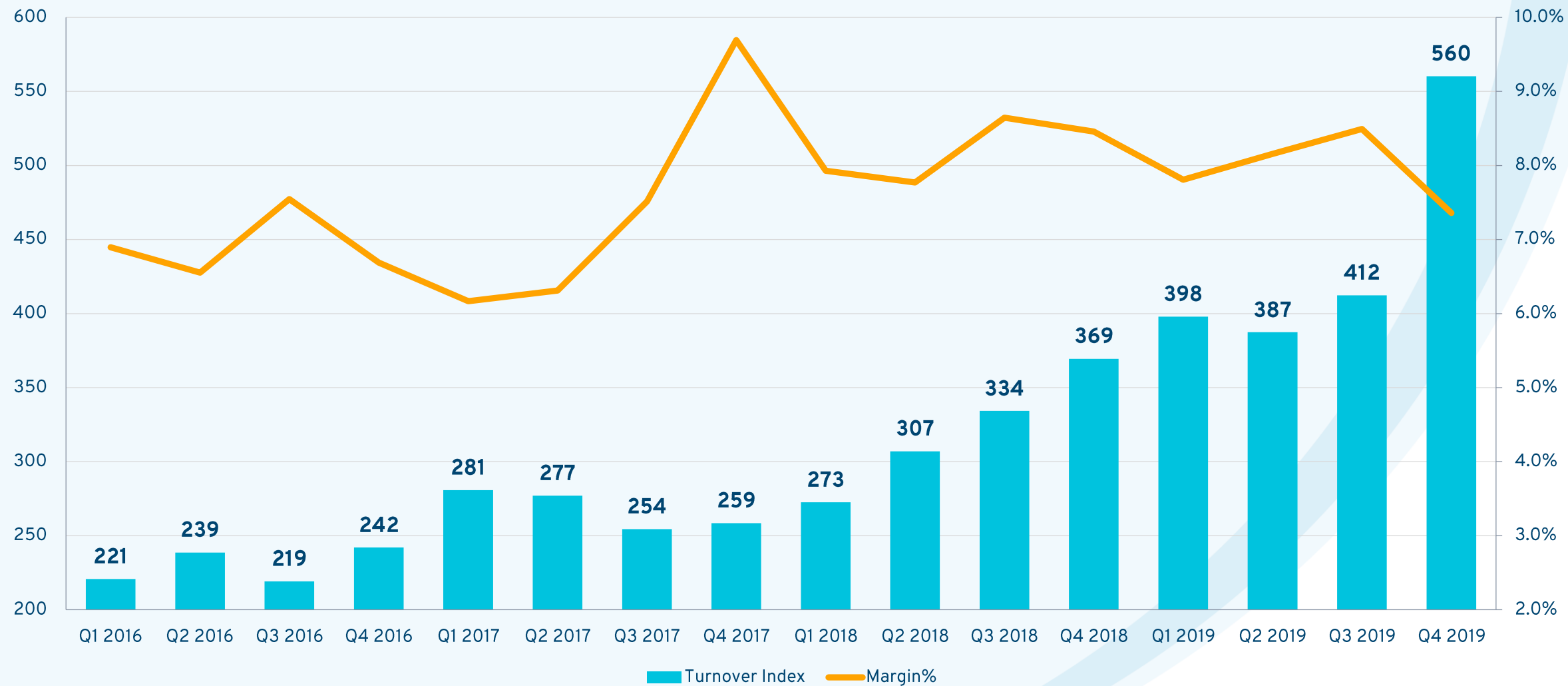
€m





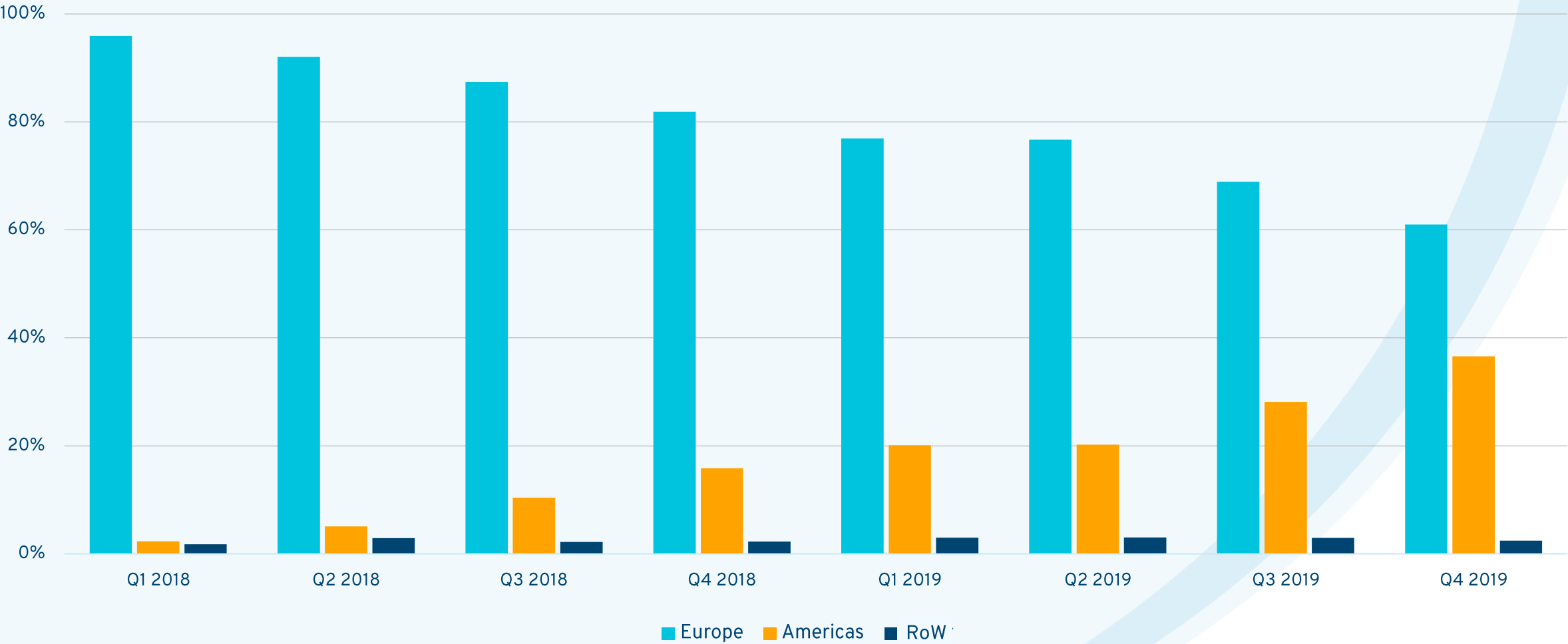
# Operator trading analysis

## Kambi operators' turnover and trading margin



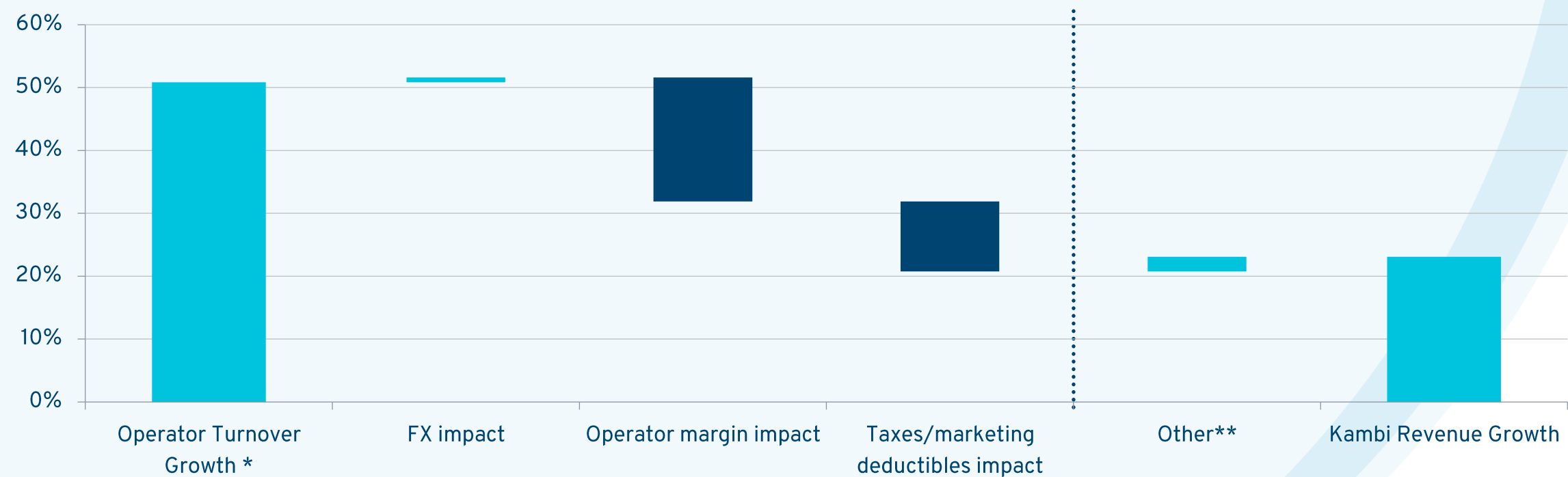
# Geographical GGR split

Europe, Americas, Rest of the World



# Kambi revenue conversion

Q4 2019 vs Q4 2018



\* Operator turnover growth shown is based on Q4 2018 exchange rates  
\*\*Other includes the impact of volume-related commission tiers and fixed revenues  
- - Denotes components of NGR from which Kambi's revenue share is calculated

# Income statement

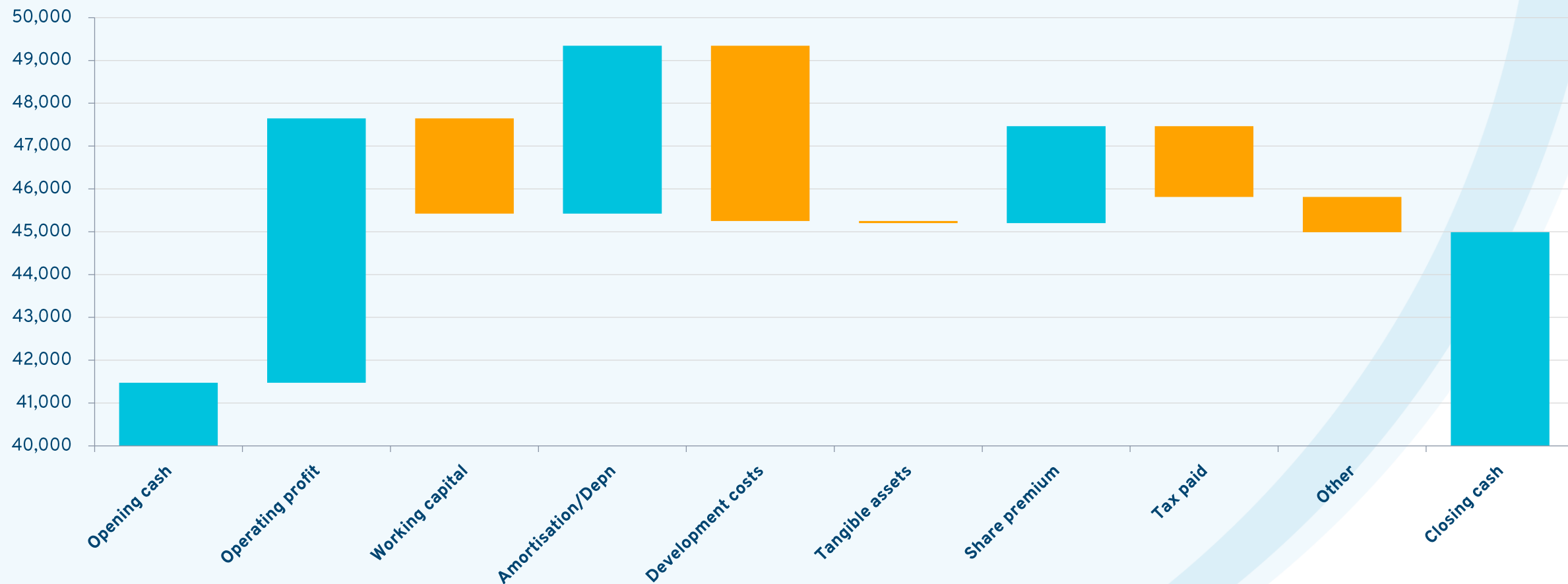
€m	Q4 2019	Q4 2018	Change %	FY 2019	FY 2018	Change %
Revenue	26.7	21.7	+23%	92.3	76.2	+21%
Operating expenses	20.5	17.5	+17%	77.6	63.5	+22%
Operating result <sup>1</sup>	6.2	4.2	+48%	14.7	12.7	+16%
Result after tax <sup>2</sup>	4.6	3.3	+39%	10.4	9.8	+6%

<sup>1</sup> Operating result before items affecting comparability (impairment charges of €0.5m)

<sup>2</sup> Result after tax includes items affecting comparability (impairment charges of €0.5m)

# Q4 Cash flow

€ '000



# Partner update

## DraftKings to buy Kambi competitor

- In December, DraftKings agreed to acquire SBTech and bring the bulk of its sportsbook operations in-house
- Kambi's revenues from DraftKings are likely to be unaffected until at least December 2020
- The partnership has given Kambi the opportunity to prove itself as the sportsbook partner to be trusted
- The acquisition of a main competitor will create opportunities for Kambi

**40-50%**

proportion of Kambi network's US GGR generated by other Kambi operators in Q4

# Kambi signs Seneca Gaming Corp.

Sportsbooks already live in 3x New York casino properties

- Seneca Gaming Corp. is a wholly-owned, tribally-chartered corporation of the Seneca Nation of Indians
- Seneca Gaming Corp. operates three casinos in New York – Buffalo, Niagara and Allegany
- Within two weeks in December, Kambi rolled out its on-property Sportsbook across the three properties





# Kambi makes on-property debut in South Africa

## Launches in Cape Town with Sun International

- Sun International owns more than 40% of the South African casino market
- In 2018, Kambi replaced Sun International's existing online sportsbook, Sun Bet
- In Q4 2019, Sun launched a Kambi-powered sportsbook at the Grand West Casino in Cape Town





# American football product investment paying off

## NFL league was no.1 turnover driver during Q4

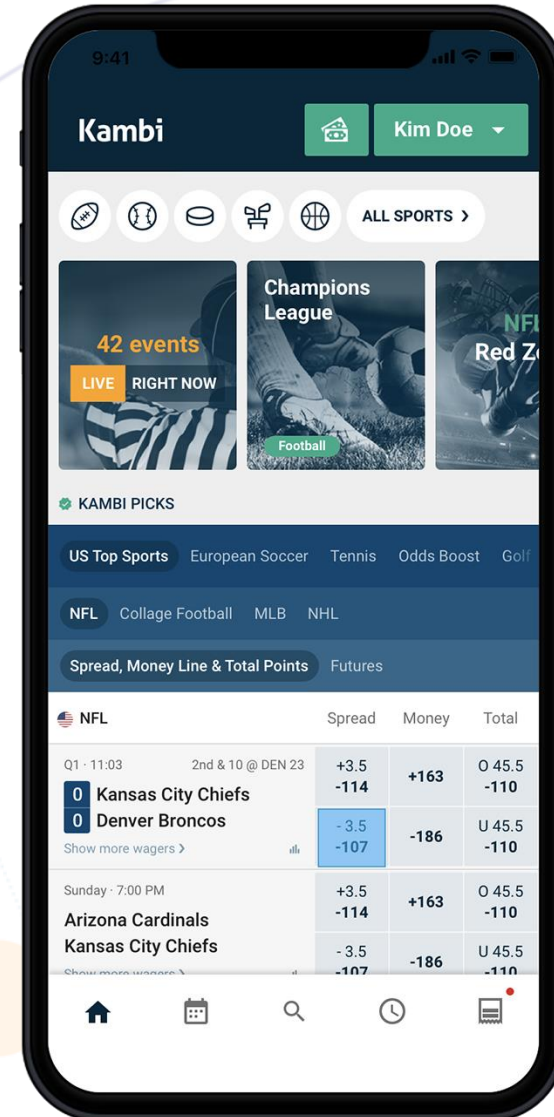
- As the #1 sport in the US, Kambi has invested in ensuring its American football offering is best-in-class
- Recent development saw availability of main markets in-play improve from approx. 60% to 90% enabling greater turnover
- In-play delay reduced to a significantly lower level than main competitors, ensuring more bets can be accepted in-play
- Superbowl LIV attracted more than 3 times higher turnover than the World Cup Final 2018

# 300%

Increase in cash out usage  
due to greater availability

# #1

NFL generated more turnover  
than any other group, including  
English Football



# Events after Q4



West Virginia  
on-property  
debut with Penn  
National Gaming



Successful ICE London  
exhibition hosting  
partners  
and prospects



Mississippi debut  
with on-property  
Penn National  
Gaming launch

# Penn National Gaming invests in Barstool Sports

Kambi to power nationwide sports betting brand



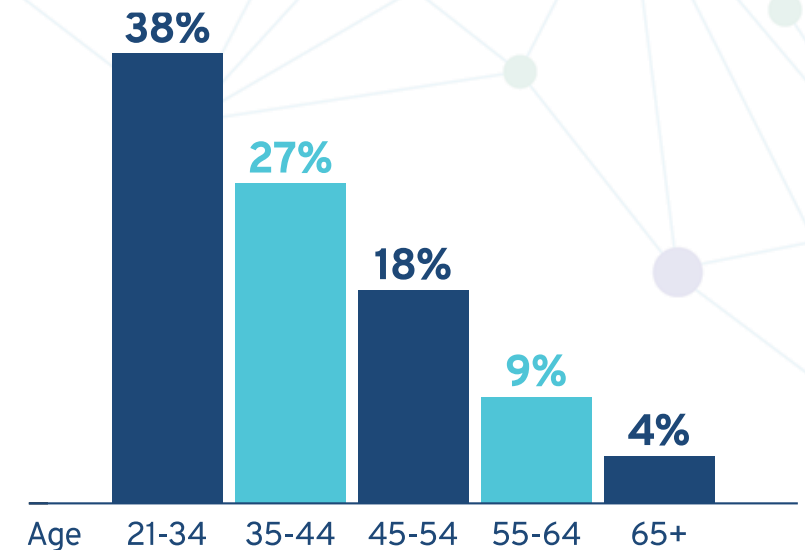
PENN NATIONAL  
GAMING, INC.



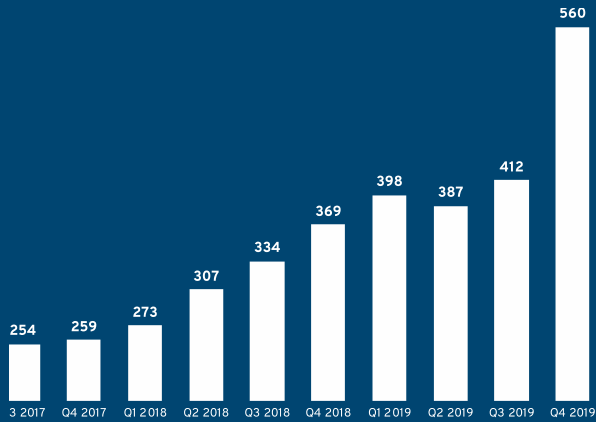
BARSTOOL  
SPORTS®

- Penn National Gaming acquired major stake in US multi-media giant Barstool Sports to use brand for Barstool-branded sportsbook and marketing
- Barstool has 66m unique monthly users across all of its media platforms, including web, video and social
- Barstool podcasts attract almost 10m listeners, with ‘Pardon My Take’ one of the top ranked podcasts in the US
- 62% of Barstool users bet on sports, 44% of those placing a bet at least once per week

Barstool audience leans towards younger demographic:



# Summary



Record Q4 financial performance with 52% operator turnover growth



The only proven, independent and fully-managed sportsbook supplier



A partner network with untapped potential

# Q&A



# Thank you

