

Kambi Group plc

Q2 Report 2021

Financial summary

- Revenue amounted to €42.8 (Q2 2020: 14.8) million for the second quarter of 2021 and €86.0m (H1 2020: 42.7) million for the first half of 2021, an increase of 102%
- Operating result (EBIT) for the second quarter of 2021 was €16.6 (-3.4) million, at a margin of 38.8% (-22.7%), and €35.3 (3.5) million, at a margin of 41.0% (8.2%) for the first half of 2021
- Result after tax amounted to €13.4 (-3.0) million for the second quarter of 2021 and €28.4 (1.7) million for the first half of 2021
- Earnings per share for the second quarter of 2021 were €0.432 (-0.099) and €0.919 (0.056) for the first half of 2021
- Cash flow from operating and investing activities (excluding working capital movements) amounted to €11.4 (-2.8) million for the second quarter of 2021 and €28.0 (1.3) million for the first half of 2021

Second quarter financial breakdown

€m	Q2 2021	Q2 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Revenue	42.8	14.8	86.0	42.7	117.7
Operating result	16.6	-3.4	35.3	3.5 ^[1]	32.2 ^[1]
Operating margin	38.8%	-22.7%	41.0%	8.2%	27.4%
Result after tax	13.4	-3.0	28.4	1.7 ^[2]	24.1 ^[2]
Cash flow ^[3]	11.4	-2.8	28.0	1.3	28.7
Net cash	84.5	39.1	84.5	39.1	53.5
Earnings per share	€0.432	€-0.099	€0.919	€0.056	€0.781
Fully diluted earnings per share	€0.422	€-0.097	€0.897	€0.055	€0.763

^[1] Operating result excludes items affecting comparability recorded in Q1 2020 (bad debt expense of €0.6m)

^[2] Result after tax includes items affecting comparability recorded in Q1 2020 (bad debt expense of €0.6m)

^[3] Cash flow from operating and investing activities excluding movements in working capital

Key highlights

- Strong financial performance with quarterly revenue of €42.8m, an operator trading margin of 9.3% and a net cash position of €84.5m
- Further expanded US presence, supporting Churchill Downs Incorporated, Penn National Gaming and Kindred with sports betting launches in four states
- Extended footprint in growing South American sports betting market, powering the launch of Olimpo.bet in Peru ahead of a wider roll-out
- Quarterly performance boosted by strong operator trading margins in the Euro 2020 soccer tournament

CEO comment



"I'm delighted to say Kambi's positive momentum continued into the second quarter of the year, with strong financial results driven by the UEFA European Football Championship, compensating for a lack of NFL and college sports in the US.

In the context of the seasonal US sporting calendar, Kambi was still able to post strong Q2 results, with revenue of €42.8m, an operator turnover index of 911 and an operator trading margin of 9.3%, completing a highly encouraging half-year.

In June, we held a virtual Capital Markets Day, which enabled us to present our strategy for the future, including our position in markets with strong potential for growth, the global opportunities ahead and how we plan to capitalise on those opportunities. I believe that Kambi, more than anyone else in the market, has what it takes to be the world's number one sportsbook provider in today's increasingly regulated and competitive landscape.

In terms of global opportunities and our addressable market, there was positive news from Canada with the repeal of its ban on single wagers, in turn handing provinces the ability to offer a much more liberalised form of regulated sports betting. We're pleased to see provinces picking up the baton and making strides towards new licensing frameworks. Ontario, the country's largest province with a population of approximately 15 million, could be the first to go live by the end of the year.

We're very excited about what the future holds at Kambi. We have a leading product, a fantastic network of partners and talented and passionate staff, recently illustrated by Kambi winning three prestigious EGR B2B Awards and two Global Gaming Awards. Kambi only succeeds when our partners succeed, and these awards are as much a testament to our fantastic partners as they are to us.

Meanwhile, our success in recent years provides us with a strong balance sheet, giving us the ability to expand when and where needed, expedite our global growth plans, and create further shareholder value."

Q2 Highlights

Trading update

Trading volumes were as anticipated in Q2, with an operator turnover index of 911 significantly up on the COVID-impacted second quarter of 2020, although down on Q1 2021. This sequential decline was predominantly due to seasonality in the US sporting calendar including the end of the NFL season, as well as the initial stages of DraftKings' planned platform migration. Furthermore, a high operator trading margin can have a dampening effect on turnover and in Q2, operator trading margin was 9.3%, higher than the long-term average.

The European Championship, which saw 44 out of a total of 51 games played in Q2, set a record for a summer soccer tournament, eclipsing operator turnover at the 2018 World Cup. Revenue during the tournament was also strong due to a higher than normal margin and the final becoming the highest operator turnover soccer game in Kambi's history.

The combinability of Kambi's Multi Builder product, which enables players to create their own unique combination bets, continues to perform well. Multi Builder was available for the first time during a major summer soccer championship and delivered a high single-digit percentage of all Euro 2020 turnover, at a considerably higher margin than the tournament average. Kambi plans to offer its partners and their players similar expansive bet combinability for the forthcoming American football season.

Commercial updates

In Q2, Kambi signed a multi-year agreement to partner with a new online sports betting brand, Olimpo.bet, in South America, further strengthening Kambi's established position in the region. Olimpo.bet is owned by NG Gaming, part of one of the continent's leading corporate groups. Olimpo.bet was soft launched into Peru's sports betting market on 1 June ahead of a wider rollout across South America. Kambi believes South America holds great promise for the future and is now active in Peru, Colombia and Argentina, with hopes for Brazil to be added in 2022.

In Q2, DraftKings began its planned migration, transitioning players in multiple states away from the Kambi platform. While this had an impact on operator turnover during the quarter, Kambi will continue to earn full revenue for these states, and others, until 30 September 2021.

Partner launches

As detailed in its Q1 report, Kambi supported a trio of online launches for Churchill Downs Incorporated (CDI) during April, with its online brand TwinSpires going live with sports betting in Pennsylvania, Indiana and Colorado. The most recent launches mean CDI is now live with Kambi in a total of seven US states.

Kambi partner Kindred also went live online in Virginia during the quarter through its Unibet brand. Meanwhile, Penn National Gaming (PNG) launched its Barstool Sportsbook online in Indiana in May, with more online launches scheduled for Q3.

In Europe, the Belgian National Lottery (BNL) relaunched its Scoore sportsbook brand in partnership with Kambi ahead of the 2020 European Championship. Kambi also helped Casumo extend its sports betting footprint by supporting the launch of the operator's online sportsbook in Spain and Ireland.

As announced in Q1, Kambi partner LeoVegas Group acquired Swedish sports betting brand Expekt, which has since launched on the Kambi sportsbook platform. Kambi now supports five LeoVegas brands across multiple markets.

Capital Markets Day

On 22 June, Kambi held a virtual Capital Markets Day where its Executive Management team set out its business model, value proposition and global opportunity. During the event, Kambi detailed its four key strategic pillars and how its global total addressable market, which is based on external sources and Kambi's own estimates, could potentially rise to between €44 billion and €63 billion by 2026. This range has been based on the regulation of markets across key regions including the US, the rest of the Americas and Asia, while we anticipate sportsbooks in Europe currently operating on legacy technology to consider outsourced solutions. Based on the above TAM, an assumed 15% market share and other estimates, Kambi's revenue could potentially increase to between €400 million and €600 million, if all its assumptions materialise. Please note that Kambi does not provide any financial forecasts and any forward-looking figures should not be treated as guidance to future performance (full disclaimer can be found on page 14 in this report). The video recording and presentation from the event can be found [here](#).

Key strategic pillars

Basis for future success

At its recent Capital Markets Day, Kambi outlined four key strategic pillars which will provide the basis for its future success. Below, we provide examples in relation to these strategic pillars and the progress we have made that supports Kambi's long-term ambitions.

1. Regulatory compliant core platform to enable growth – delivering regulatory, financial and technical security and stability

Combination bets are particularly popular with players. For example, approximately 50% of sports betting revenue in New Jersey was derived from combination bets in 2020. Kambi is at the final stages of development of its improved American football combinability product. At present, players can combine the main markets within a single game or across multiple games. For the forthcoming NFL season, combinability will be expanded to enable players to include player props, such as player touchdowns and passing yards, in their combination bets. Since, with Kambi, these bets can be combined across multiple games, rather than being limited to the same game, players will have a much greater number of betting options than available elsewhere. This level of combinability is only possible due to the continual development of Kambi's regulatory compliant core platform.

2. Differentiation and empowerment – enabling partners to take control where it matters most and express their respective brands

Providing operators with the ability to take control of key player-facing areas of the product is crucial if operators are to differentiate and appeal to their target markets. Kambi has long provided partners with the ability to differentiate via the odds offered, enabling them to adjust margins applied across jurisdictions, leagues, games, and more. Furthermore, partners can adjust odds offered on single outcomes, providing empowerment over how competitive they wish to be on a specific price at any given time. In recent months, Kambi has added automation into this price differentiation tool, enabling partners to schedule campaigns ahead of time and align with marketing strategies.

3. Power of the network – leveraging unique global network data to enhance the Kambi product and service for all

The success Kambi delivers to its partners is anchored in its ability to leverage network data from a global player base to create network advantages that increase as each new partner is added and existing partners grow. In Q2, Kambi released in-house developed machine learning models that leverage all available betting data to find deep and multidimensional patterns to identify potential price

inefficiencies. For every price, Kambi can now analyse the nature of betting that trends towards prices being inefficient through the accumulation of players' betting behaviours. These models have also been built to alert traders when certain price inefficiencies are detected so traders can quickly intervene to re-evaluate and amend prices if necessary, enabling events to be traded more efficiently and at larger scale.

4. Highly scalable business model – signing and launching new partners in a uniquely cost-efficient manner

The key aspect of Kambi's business model that drives the operating margin is scalability. With each new partner, as well as additional launches and new markets, Kambi can increase its revenues and growth while remaining cost efficient, allowing Kambi to invest back into the product to the benefit of our partners. This ensures that as Kambi expands, it delivers increasing shareholder value the greater its global reach becomes. In Q2, Kambi signed and launched with NG Gaming in South America, while also completing on average one partner launch every week throughout the period, spanning three different continents.

Events after Q2

Commercial updates

On 1 July, Kambi and Mohegan Gaming & Entertainment (MGE) agreed on an amendment on its partnership pertaining to the soon-to-be regulated market of Connecticut, resulting in Kambi no longer providing its sportsbook to MGE in the state. The agreement will see Kambi paid its full estimated revenue for the duration of the initial five-year term, which is valid from when the market goes live, while incurring zero operating costs. Furthermore, Kambi and MGE are currently in discussions over potential partnerships in jurisdictions where MGE has market access

As previously communicated, DraftKings began its planned migration earlier this year and has to date transitioned players away from the Kambi platform in all states except Virginia and New York.

Industry recognition

Kambi's global sports betting expertise was recognised in July when claiming three prizes from one of the industry's leading award ceremonies - the EGR B2B Awards - including the headline Sportsbook Platform Supplier category for the third year in a row. Kambi also claimed the EGR awards for In-Play Betting Software and Sports Betting Supplier, adding to the awards it won in June for Retail Supplier of the Year and Online Sports Betting Supplier of the Year at the Global Gaming Awards 2021. Both the EGR B2B Awards and Global Gaming Awards are independently adjudicated by Deloitte and KPMG respectively and judged by experienced industry executives.

Regulatory update

Below, we provide the most relevant regulatory updates on markets which may have an impact on our operations and total addressable market.

United States

In **New York State**, the regulator released its request for applications and draft rules for mobile sports betting platform licenses on 9 July. The regulator will select at least two platform providers to conduct mobile betting in New York, and the providers must combine to offer at least four customer-facing sports-betting skins. Applicants will have 30 days to submit their applications, with the winning bidders due to be selected within 150 days.

In **Arizona**, sports betting was legalised in April and the regulator has publicly stated that it will ensure all applicants are able to launch on the same date and in time for the start of NFL season in September. The signed bill permits the state to award up to 20 online sports-betting licences: 10 for tribes, and 10 for Arizona-based professional sports teams and facilities.

In **Florida**, the legislature approved a landmark compact made between the state and the Seminole Tribe in May, which provides the Tribe with an effective sports betting monopoly. Commercial gaming interests are taking steps to challenge the compact in court, while also starting a new initiative to put sports betting on the ballot in 2022.

A coalition of **California** tribes has successfully received enough support for a state-wide referendum to legalise retail sports betting at tribal casinos. Assuming the referendum takes place alongside California's next general election in November 2022, the question is whether the tribal-backed initiative will be the only sports betting question on the ballot, or whether other stakeholders will mobilise to establish a competing referendum that includes mobile.

Below, Kambi details the US states in which it is live and generating revenue*:

State	CDI		Four Winds		Kindred		Parx		PNG		RSI		Seneca		888	
	Retail	Online	Retail	Online	Retail	Online	Retail	Online	Retail	Online	Retail	Online	Retail	Online	Retail	Online
Arkansas	✓															
Colorado	✓	✓							✓			✓				
Illinois									✓	✓	✓	✓				
Indiana	✓	✓				✓			✓	✓	✓	✓				
Iowa									✓			✓				
Michigan	✓	✓	✓	✓			✓		✓	✓	✓	✓				
Mississippi	✓								✓							
New Jersey						✓	✓					✓				✓
New York											✓		✓			
Pennsylvania	✓	✓			✓	✓	✓	✓	✓	✓	✓	✓				
Tennessee		✓														
Virginia						✓						✓				
West Virginia									✓							

*DraftKings is not included in this table due to its ongoing migration. As per contract terms, any sports betting revenue generated by DraftKings prior to 30 September 2021, either via Kambi or following a migration away from Kambi, will be subject to the same level of revenue share payments from DraftKings to Kambi.

Americas (non-US)

In **Canada**, a bill seeking to repeal the ban on single-game sports betting was entered into law, providing the country's provinces with the power to re-regulate their sports betting market. The Ontario regulator has started to consult with potential stakeholders through the implementation of its new igaming regime, which includes sports betting, expected to launch in December 2021.

Europe

In the **Netherlands**, the Dutch Remote Gambling Act came into force in conjunction with the commencement of the online licensing process on 1 April 2021. The online application portal also opened on this date, allowing operators to submit applications for online gambling licences. The market is expected to go live in Q4.

Financial review

Revenue

Revenue represents fees received for sports betting services rendered to Kambi's operators. In the second quarter of 2021, revenue was €42.8 (Q2 2020: 14.8) million, an increase of 189%. Revenue for the first half year 2021 was €86.0 (H1 2020: 42.7) million, an increase of 102%. 84% (74%) of revenue in Q2 was derived from locally regulated markets.

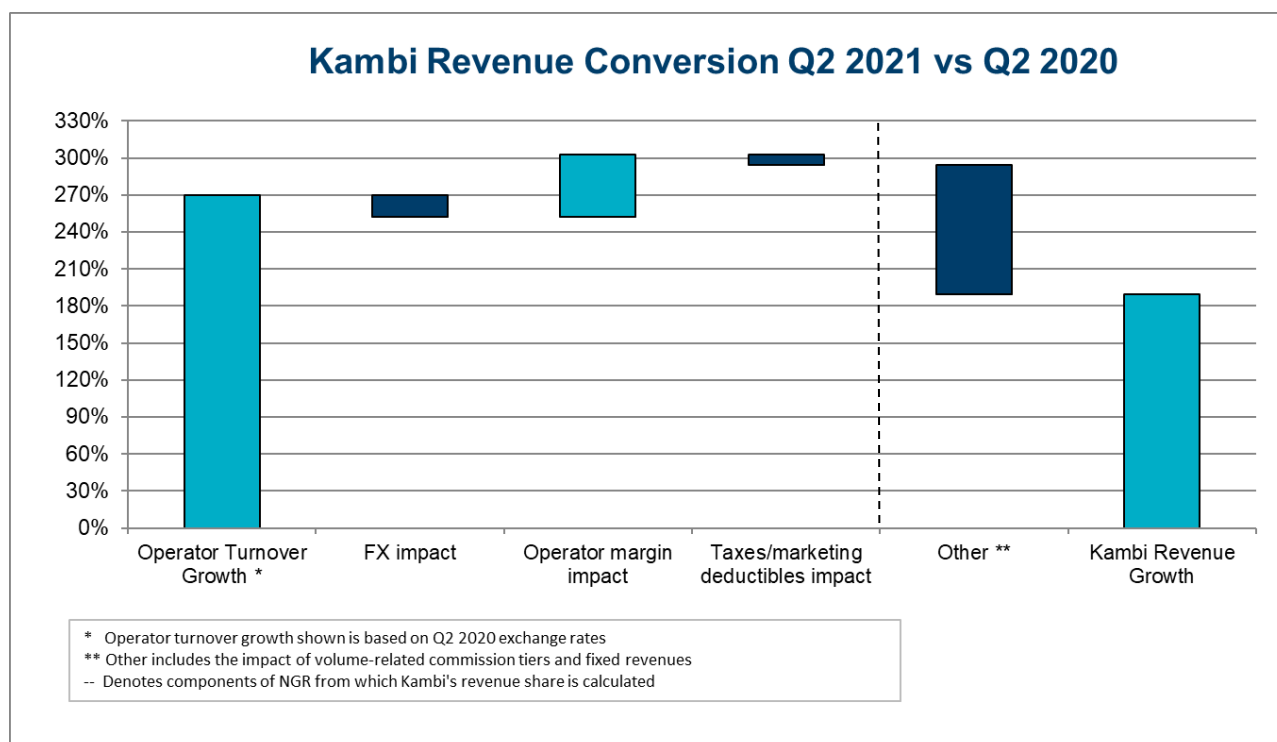
Whilst noting that the comparative figures for Q2 2020 were adversely impacted by the reduced sporting calendar as a result of COVID-19, operator turnover at constant exchange rates grew by 270% and the operator trading margin was 9.3% (8.2%). The operator trading margin for the first half year 2021 was 8.9% (8.9%). There was a negative impact on Kambi's revenue due to significant movement of USD against EUR compared to Q2 2020. The operator turnover growth including the FX impact was 252%.

Kambi charges its operators a fee based on a number of variables including fixed fees, the number of live events offered and commission based on a revenue share of operators' Gross Gaming Revenue (GGR) less deductible costs, such as certain capped marketing incentives and tax (i.e. NGR, as shown in the graph below).

To promote and support growth, some of the customer contracts include tiers with lower commission rates on the higher levels of their sports betting revenues. As can be seen from the 'other' category in the below chart, this effect was particularly marked in Q2 2021 as the comparison is to higher commission rates charged during Q2 2020, as a result of the substantially reduced sporting calendar.

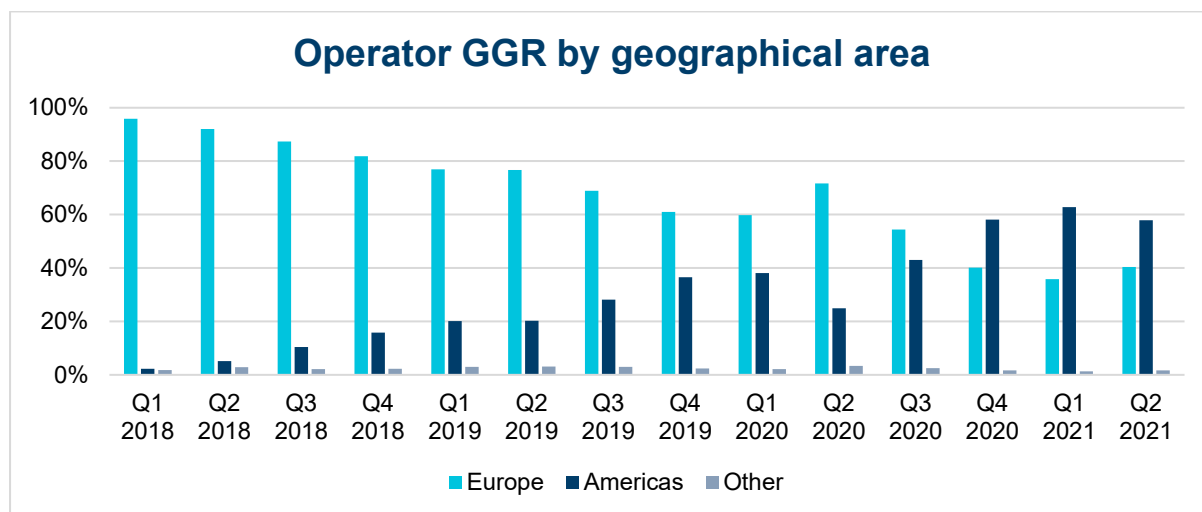
The net effect of the above factors was a €28.0 million increase in quarterly revenue year-on-year.

The graph below demonstrates how the change in operator turnover ultimately results in Kambi's revenue change:



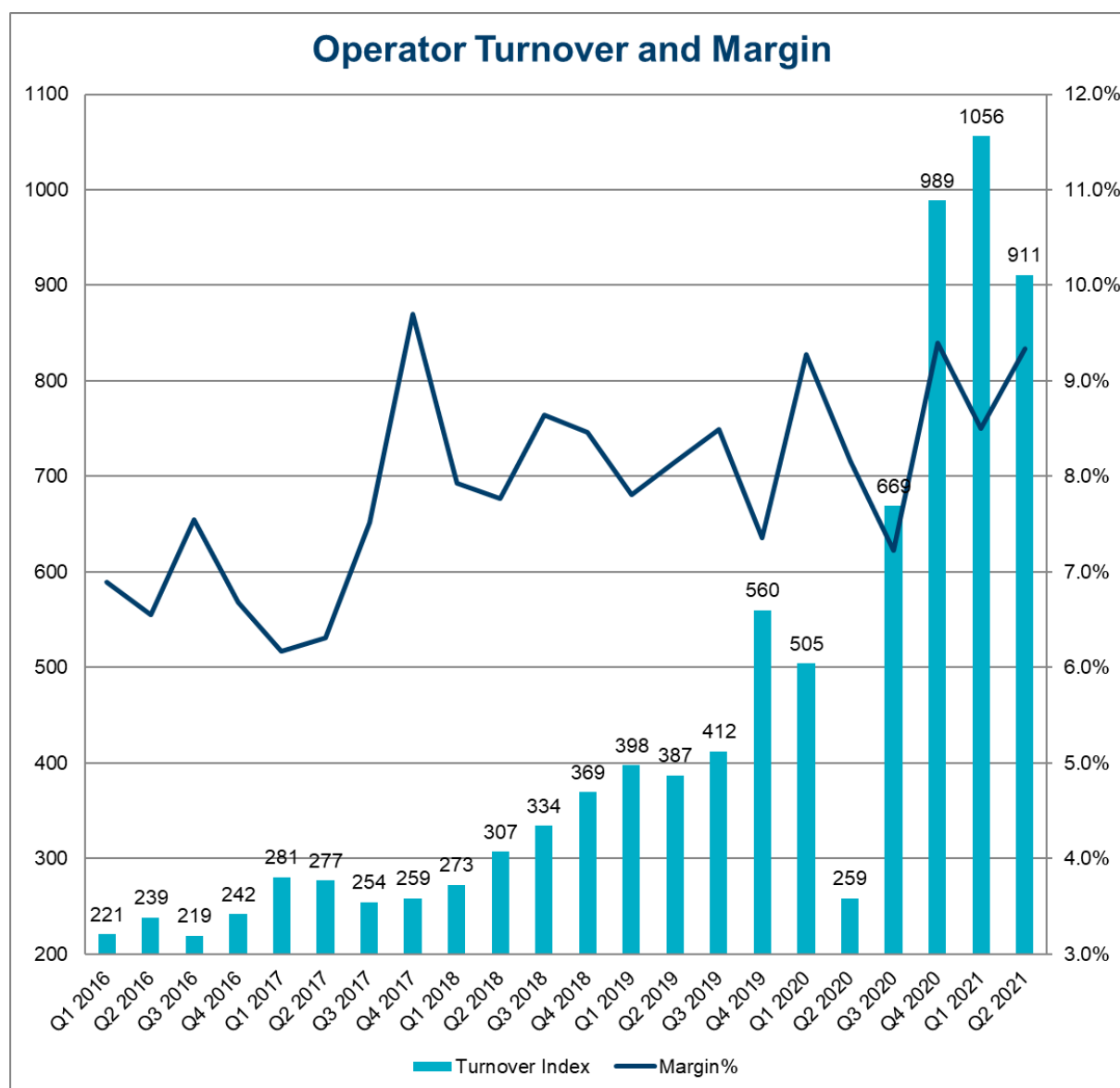
Geographical GGR analysis

Kambi's operators' GGR derives from numerous markets globally, which can be split into three areas of focus for the company: Europe, Kambi's historical core market; the Americas, the largest market for Kambi in Q1 2021; and the Rest of the World, being those other opportunities that may arise outside of Kambi's two main focal areas. Comparing to the prior quarter, Americas decreased slightly to 58% (25%) of the total operator GGR for Q2, a reflection of the busier sporting calendar in Europe.



Operator trading analysis

In the interest of commercial sensitivity and instead of disclosing actual turnover figures, Kambi presents its customers' sports betting turnover as an index called The Kambi Turnover Index, with the first quarter of 2014 indexed at 100. The graph below shows the index since Q1 2016 and also illustrates Kambi's operators' quarterly trading margin.



Operator turnover for the second quarter of 2021 was 911, an increase of 252% compared with 259 for the second quarter of 2020, which was adversely impacted by the reduced sporting calendar as a result of COVID-19. Operator turnover decreased by 14% from 1056 in the first quarter of 2021 due to seasonality in the US sporting calendar including the lack of American football and college sports. The estimated impact of DraftKings' migration during the quarter was a reduction to the turnover index by approximately 30-35. The impact on the turnover index will be significantly larger in Q3 2021 as DraftKings' migration continues (whilst Kambi receives full revenues until 30 September).

Operator trading margin

The operator trading margin for the quarter was 9.3% (Q2 2020: 8.2%). The operator trading margin for the past 12 month period has been 8.7%.

The operator trading margin can fluctuate from quarter to quarter, mainly due to the outcome of sporting events with the highest betting volumes and value. Based on the current commercial and market outlook, Kambi expects the operator trading margin for the coming 12 month period to be in the range of 7.0 – 8.5%.

The operator turnover is affected by short-term variations in operator trading margins; over time there is likely to be a negative correlation i.e. a higher operator trading margin results in lower turnover.

Due to the variance in actual sporting results, there can be deviation from the 12 month expectation without prompting a change in the outlook. The operator trading margin expectations are estimated on a forward-looking rolling 12 month basis and are shared to explain short-term variations in betting patterns and therefore revenues. They are updated quarterly and when updated, previously stated expectations should be considered obsolete.

Currency effects

Kambi's principal currency is the Euro, which is also the reporting currency, but has both costs and revenues in certain other currencies, such as SEK, GBP and USD which can be subject to short-term fluctuations. However, as Kambi has both revenues and costs in the same currencies, this creates, to some extent, a natural hedge which partly mitigates the impact these fluctuations may have.

Cost development

Kambi's cost development is driven by our continued commitment to building a market-leading Sportsbook. Our scalable business model requires strategic investments to deliver on future growth, which impacts both operating expenses and capitalised costs, in:

- Product development
- Channel enhancements
- Market expansion
- New customer integrations

Capitalised development costs

In the second quarter of 2021, development expenditure of €5.0 (3.4) million was capitalised with €9.5 (8.2) million capitalised in the first half year 2021. These capitalised development costs are amortised over three years, starting in the year the costs are incurred. The amortisation charge this quarter was €3.8 (3.0) million and for the first half year 2021 was €7.4 (5.9) million.

Operating expenses

Operating expenses are a combination of activity-related costs and fixed costs; the main expenses are salaries, office costs, data supplier costs, consultant costs and amortisation.

Operating expenses for the second quarter of 2021 were €26.2 (18.1) million, and €50.7 (39.2) million for the first half year 2021. The operating expenses for the second quarter of 2020 were significantly reduced due to cost saving initiatives implemented as a result of COVID-19.

Total operating expenses are expected to be in the range of €27.0 – 28.0 million in Q3 2021 and in the range of €102.0 – 107.0 million for the full year 2021.

Operating result

Operating result for the second quarter of 2021 was €16.6 (-3.4) million, with a margin of 38.8% (-22.7%), and €35.3 (3.5) million for the first half year 2021, with a margin of 41.0% (8.2%).

Result before tax

Result before tax for the second quarter of 2021 was €16.4 (-3.5) million. Result before tax for the first half year 2021 was €35.0 (2.6) million.

Taxation

The tax expense comprises corporation tax and withholding tax. The tax expense for the second quarter of 2021 was €3.0 (0.5 credit) million. The tax expense for the first half year 2021 was €6.5 (0.9) million.

Result after tax

Result after tax for the first quarter of 2021 was €13.4 (-3.0) million. Result after tax for the first half year 2021 was €28.4 (1.7) million.

Financial position and cash flow

During the quarter, Kambi recognised a new lease in relation to our new Stockholm office under IFRS 16 resulting in an increase of property, plant and equipment of €11.3 million and a corresponding increase in lease liabilities.

The net cash position at 30 June 2021 was €84.5 (39.1) million.

Cash flow from operating and investing activities (excluding working capital) amounted to €11.4 (-2.8) million for the second quarter of 2021, and €28.0 (1.3) million for the first half year 2021.

Net cash flow was an increase of €13.8 (0.5) million for the quarter.

Personnel

Kambi had 930 (862) employees equivalent to 916 (850) full time employees at 30 June 2021, across offices in Malta (headquarters), Australia, Philippines, Romania, Sweden, the UK, and the United States.

Financial information

The financial information has been presented in accordance with International Financial Reporting Standards as adopted by the European Union. All numbers in this report are unaudited. All numbers in this report are shown in Euro (€) and all the numbers in brackets refer to the equivalent period in the previous year.

Malta, 23 July 2021

Q2 Report 2021 (unaudited)

Financial calendar

27 October 2021	Q3 2021 report
11 February 2022	Q4 2021 report
27 April 2022	Q1 2022 report

Contacts

CEO Kristian Nylén

CFO David Kenyon

SVP Investor Relations Mia Nordlander

Tel: +44 203 318 6279 +44 785 091 0933

www.kambi.com

Kambi Group plc

Level 3, Quantum House

Abate Rigord Street

Ta' Xbiex XBX1120

Malta

About Kambi

Kambi is a provider of premium sports betting services to licensed B2C gaming operators. Our services encompass a broad offering from front-end user interface through to odds compiling, customer intelligence and risk management, built on an in-house developed software platform. Kambi's 30-plus customers include ATG, Churchill Downs Incorporated, DraftKings, Kindred Group, LeoVegas, Penn National Gaming and Rush Street Interactive. Kambi employs more than 900 staff across offices in Malta (headquarters), Australia, Philippines, Romania, Sweden, the UK and the United States.

Kambi utilises a best of breed security approach and is ISO 27001 and eCOGRA certified. Kambi Group plc is listed on First North Growth Market at Nasdaq Stockholm under the symbol "KAMBI". The Company's Certified Advisor is Redeye AB.

Redeye AB, Certifiedadviser@redeye.se, +46 (0)8 121 576 90.

Legal disclaimer

Kambi does not give any forecasts. Certain statements in this report are forward-looking and the actual outcomes may be materially different. Even though management believes any expectations expressed are deemed reasonable, no guarantee can be given that such expectations will prove correct and even if such expectations remain, quarterly fluctuations are common. In addition to the factors discussed, other factors could have an impact on actual outcomes. Such factors include developments for customers, competitors, the impact of economic and market conditions, national and international legislation and regulations, fiscal regulations, the effectiveness of copyright for computer systems, technological developments, fluctuation in exchange rates, interest rates and political risks.

Publication

The information in this report is such that Kambi Group plc is required to disclose under the EU Directive of Market Abuse Regulation and rules for companies listed on the First North Growth Market at Nasdaq Stockholm.

The information in this report was sent for publication on Friday, 23 July 2021 at 07:45 CEST by CEO Kristian Nylén.

CONSOLIDATED INCOME STATEMENT
€ '000

	Q2 2021	Q2 2020	Jan - Jun 2021	Jan - Jun 2020	Jan - Dec 2020
Revenue	42,764	14,774	85,979	42,662	117,685
Staff costs	-13,157	-8,612	-25,973	-19,061	-43,063
Amortisation	-3,787	-3,049	-7,385	-5,907	-12,375
Data supplier costs	-3,098	-1,981	-6,460	-4,662	-10,803
Other operating expenses	-6,129	-4,483	-10,880	-9,548	-19,215
Total operating expenses	-26,171	-18,125	-50,698	-39,178	-85,456
Result from operations	16,593	-3,351	35,281	3,484	32,229
<i>Operating margin</i>	<i>38.8%</i>	<i>-22.7%</i>	<i>41.0%</i>	<i>8.2%</i>	<i>27.4%</i>
Investment income	1	2	2	6	38
Finance costs	-182	-159	-330	-326	-652
Result before items affecting comparability	16,412	-3,508	34,953	3,164	31,615
Items affecting comparability ¹	-	-	-	-590	-590
Result before tax	16,412	-3,508	34,953	2,574	31,025
Income tax	-3,045	466	-6,507	-851	-6,969
Result after tax	13,367	-3,042	28,446	1,723	24,056

¹ 2020: Bad debt expense in relation to National Lottery AD

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
€ '000

	Q2 2021	Q2 2020	Jan - Jun 2021	Jan - Jun 2020	Jan - Dec 2020
Result after tax for the period	13,367	-3,042	28,446	1,723	24,056
Other comprehensive income:					
Currency translation adjustments taken to equity	-116	187	484	-1,001	-955
Actuarial gain/(loss) on employee defined benefits	-	-	-	-	-58
Comprehensive income for the period	13,251	-2,855	28,930	722	23,043

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
€ '000

	30 Jun 2021	30 Jun 2020	31 Dec 2020
ASSETS			
<i>Non-current assets</i>			
Intangible assets	24,569	20,735	22,425
Property, plant and equipment	20,635	10,952	10,181
Deferred tax assets	6,586	3,228	6,500
	51,790	34,915	39,106
<i>Current assets</i>			
Trade and other receivables	33,613	19,200	36,632
Cash and cash equivalents	91,919	46,442	60,826
	125,532	65,642	97,458
Total assets	177,322	100,557	136,564
EQUITY AND LIABILITIES			
<i>Capital and reserves</i>			
Share capital	92	92	92
Share premium	58,423	58,050	58,237
Other reserves	6,503	4,059	5,950
Currency translation reserve	-2,873	-3,403	-3,357
Retained earnings	65,539	14,760	37,093
Total equity	127,684	73,558	98,015
<i>Non-current liabilities</i>			
Convertible bond	7,376	7,320	7,345
Lease liabilities	12,415	4,411	3,537
Other liabilities	371	256	330
Deferred tax liabilities	1,220	279	1,219
	21,382	12,266	12,431
<i>Current liabilities</i>			
Trade and other payables	17,856	10,540	16,453
Lease liabilities	3,702	2,842	2,326
Tax liabilities	6,698	1,351	7,339
	28,256	14,733	26,118
Total liabilities	49,638	26,999	38,549
Total equity and liabilities	177,322	100,557	136,564

CONSOLIDATED STATEMENT OF CASH FLOWS

€ '000

	Q2 2021	Q2 2020	Jan - Jun 2021	Jan - Jun 2020	Jan - Dec 2020
OPERATING ACTIVITIES					
Result from operations	16,593	-3,351	35,281	3,484	32,229
<i>Adjustments for:</i>					
Depreciation of property, plant and equipment	1,408	1,265	2,756	2,467	5,079
Amortisation of intangible assets	3,787	3,049	7,385	5,907	12,375
Bad debt expense	-	-	-	-590	-590
Share-based payment	267	394	553	683	1,372
Operating cash flows before movements in working capital	22,055	1,357	45,975	11,951	50,465
(Increase)/decrease in trade and other receivables	1,049	6,077	3,019	2,794	-14,638
(Decrease)/increase in trade and other payables	2,540	-2,017	1,403	-535	5,377
(Decrease)/increase in other liabilities	10	13	41	31	105
Cash flows from operating activities	25,654	5,430	50,438	14,241	41,309
Income taxes paid net of tax refunded	-4,670	-275	-7,098	-1,240	-2,759
Interest income received	-	2	1	6	38
Net cash generated from operating activities	20,984	5,157	43,341	13,007	38,588
INVESTING ACTIVITIES					
Purchases of property, plant and equipment	-967	-406	-1,377	-1,216	-2,575
Development and acquisition costs of intangible assets	-4,997	-3,444	-9,531	-8,184	-16,459
Net cash used in investing activities	-5,964	-3,850	-10,908	-9,400	-19,034
FINANCING ACTIVITIES					
Proceeds from issue of new shares	-	-	610	11	197
Payment of lease liabilities	-1,131	-584	-2,015	-1,074	-2,989
Interest paid	-48	-264	-87	-308	-389
Net cash generated/(used in) financing activities	-1,179	-848	-1,492	-1,371	-3,181
Net increase in cash and cash equivalents	13,841	459	30,941	2,236	16,373
Cash and cash equivalents at beginning of period	78,056	46,269	60,826	44,988	44,988
Effect of foreign exchange differences	22	-286	152	-782	-535
Cash and cash equivalents at end of period	91,919	46,442	91,919	46,442	60,826

**CONSOLIDATED STATEMENT OF CHANGES
 IN EQUITY**

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	Q2 2021	Q2 2020	Jan - Jun 2021	Jan - Jun 2020	Jan - Dec 2020
Opening balance at beginning of period	114,166	76,019	98,015	71,743	71,743
Comprehensive income					
Result for the period	13,367	-3,042	28,446	1,723	24,056
<i>Other comprehensive income:</i>					
Translation adjustment	-116	187	484	-1,001	-955
Actuarial gain/(loss) on employee defined benefits	-	-	-	-	-58
	13,251	-2,855	28,930	722	23,043
Transactions with owners					
Share options - value of employee services	267	394	553	683	1,372
Other	-	-	186	410	598
Tax on share options	-	-	-	-	1,259
	267	394	739	1,093	3,229
Closing balance at end of period	127,684	73,558	127,684	73,558	98,015

KEY RATIOS

This table is for information only and does not form part of the condensed financial statements

	Q2 2021	Q2 2020	Jan - Jun 2021	Jan - Jun 2020	Jan - Dec 2020
Operator turnover ¹ as index of Q1 2014	911	259	n/a	n/a	n/a
Operating (EBIT) ² margin, %	38.8%	-22.7%	41.0%	8.2%	27.4%
EBITDA ² (€m)	21.8	1.0	45.4	11.9	49.7
EBITDA ² margin, %	50.9%	6.5%	52.8%	27.8%	42.2%
Equity/assets ratio, %	72.0%	73.2%	72.0%	73.2%	71.8%
Employees at period end	930	862	930	862	878
Earnings per share (€)	0.432	-0.099	0.919	0.056	0.781
Fully diluted earnings per share (€)	0.422	-0.097	0.897	0.055	0.763
Number of shares at period end	30,975,697	30,829,697	30,975,697	30,829,697	30,954,697
Fully diluted number of shares at period end	32,016,181	32,175,181	32,016,181	32,175,181	32,070,681
Average number of shares	30,975,697	30,829,697	30,968,814	30,727,763	30,815,376
Average number of fully diluted shares	31,690,770	31,279,177	31,729,152	31,142,925	31,510,893

¹Operator turnover is defined as total stakes placed with operators by end users

²Excluding items affecting comparability (2020: 590k bad debt expense)