

# Kambi Group plc

Q4 Report 2017

## Financial summary

- Revenue amounted to €19.0 (14.3) million for the fourth quarter of 2017, and €62.1 (56.0) million for the period January to December 2017
- Operating profit (EBIT) for the fourth quarter of 2017 was €5.0 (1.8) million, with a margin of 26% (13%), and €7.7 (8.8) million for the period January to December 2017, with a margin of 12% (16%)
- Profit after Tax amounted to €3.9 (1.2) million for the fourth quarter of 2017, and €5.9 (7.5) million for the period January to December 2017
- Earnings per share for the fourth quarter of 2017 were €0.131 (0.042), and €0.198 (0.253) for the period January to December 2017
- Cash flow from operating and investing activities (excluding working capital) amounted to €3.8 (1.0) million for the fourth quarter of 2017, and €4.7 (4.1) million for the period January to December 2017

## Fourth quarter financial breakdown

| €m                     | Q4 2017 | Q4 2016 | Jan - Dec 2017 | Jan - Dec 2016 |
|------------------------|---------|---------|----------------|----------------|
| Revenue                | 19.0    | 14.3    | 62.1           | 56.0           |
| Operating result       | 5.0     | 1.8     | 7.7            | 8.8            |
| Operating margin       | 26%     | 13%     | 12%            | 16%            |
| Result after tax       | 3.9     | 1.2     | 5.9            | 7.5            |
| Cash flow <sup>1</sup> | 3.8     | 1.0     | 4.7            | 4.1            |
| Net cash               | 26.9    | 25.1    | 26.9           | 25.1           |
| Earnings per share     | €0.131  | €0.042  | €0.198         | €0.253         |

<sup>1</sup> Cash flow from operating and investing activities excluding movements in working capital

## Key highlights

- Strong performance with 33% year-on-year revenue growth producing record quarterly revenues
- Signed long-term contract extensions with LeoVegas, Paf and Napoleon Games
- Signed a multi-channel deal with South Africa-based casino group Sun International, the eighth consecutive quarter in which Kambi has added at least one new customer

## CEO comment



*I'm delighted to report Kambi ended 2017 on a high, with the fourth quarter delivering record revenues, a new customer signing and three customer contract extensions. We are entering 2018 with strong momentum.*

*The period's headline figure was the 33% increase in revenues to €19m, Kambi's largest quarterly revenue to date. This sizeable increase was primarily due to an extended run of favourable sporting results, which started in Q3 but continued into Q4 with even greater regularity, resulting in a high operator*

*trading margin of 9.7%.*

*While the Q4 result is pleasing, it is important to view operator trading margin with a long-term perspective. Our 12-month operator trading margin was 7.4%, a figure more in line with our previously communicated expected range of 6.5-7%. Therefore, just as we weren't overly concerned by below average margins in the first two quarters of 2017, we are not getting carried away with the higher than average margins of recent quarters.*

*A consequence of a higher operator trading margin is lower operator turnover growth - when results favour operators, as they frequently did in Q4, players have less money in their betting accounts to play with. Despite this suppressing factor, Kambi operator turnover grew year-on-year.*

*The quarter also saw Kambi continue its run of new business wins, with the signing of Sun International making it eight consecutive quarters in which we have signed at least one new customer. As one of the largest and most respected land-based casino operators in the southern hemisphere, Sun International is a great addition to the Kambi network. Sun International also operates a South Africa-facing online sportsbook which, once switched to Kambi in the coming months, will increase our regulated footprint to six continents, making Kambi a truly global sports betting supplier.*

*With LeoVegas, Paf and Napoleon Games all signing long-term contract extensions, and an increasingly realistic proposition of a legal US sports betting market in the not-too-distant future, Kambi has never been in better shape and I'm personally excited for the year ahead.*

## Q4 Highlights

Kambi's revenue was up 33% to €19m in Q4, a quarterly record, on the back of a high operator trading margin of 9.7%. The boost in margin was partly attributable to favourable football results, most notably the English Premier League, which produced 10 scoreless draws in December alone, including games involving heavily backed favourites Chelsea, Manchester City and Manchester United. The number of Premier League scoreless draws in December can be contrasted against the 10 we saw during the entire first half of the previous Premier League season. Favourable football results were found across all major European football leagues, with an increased number of low scoring draws found in games in Spain, Germany and Italy. Following disappointing operator trading margins during the first two quarters of 2017, Kambi posted strong operator margins during the final six months of the year. Overall margin across the year was ahead of expectations.

## Sun International

In November, Kambi signed a multi-channel deal with South Africa-based gaming and hospitality group Sun International. Listed on the Johannesburg Stock Exchange, Sun International is one of the largest gaming operators in the southern hemisphere, with more than 25 bricks and mortar casinos situated in Africa and South America. The company also operates the South Africa-facing online sportsbook brand SunBet.co.za, which as part of the agreement will transition to Kambi's sports betting solution. In

addition to the online upgrade, Kambi will provide its retail product suite, initially across Sun International's South Africa-based casino resorts.

### **Contract extensions**

In Q4, Kambi agreed long-term contract extensions with LeoVegas, Paf and Napoleon Games. Including the extension of 888sport in July, Kambi has in recent months secured four key sources of revenues for years to come.

## **Events after Q4**

### **International expansion**

Since the turn of the year, Kambi has extended its international reach. In January, National Lottery AD, which signed with Kambi in July 2017, launched Kambi's online Sportsbook in its home market of Bulgaria. The Sportsbook forms part of National Lottery AD's 7777.bg brand, which holds a market-leading gaming position. The launch followed a successful customer migration from another sports betting supplier, meaning 7777.bg was generating revenues with Kambi immediately on launch.

## **Market overview**

The evolving regulatory picture continues to dominate the sector and the continued expansion of regulated markets is likely to provide Kambi with attractive growth opportunities in the future. Most notably, in December the US Supreme Court heard the long-running case between the state of New Jersey and the National Collegiate Athletic Association, as New Jersey seeks to overturn a near federal ban on sports betting. Success for New Jersey could result in the widespread adoption of regulated sports betting on a state-by-state basis throughout the country. Approximately 20 states have already lodged bills which aim to regulate sports betting should the ban be repealed. The Supreme Court is due to make judgment sometime in H1 2018.

More recently, Sweden published a draft version of its planned gambling legislation, which has been passed to the European Commission for inspection. As per the recommendations made by an independent inquiry in March 2017, the legislation would end the current state-owned monopoly system and introduce a fully liberalised market. The licensing process is expected to begin in July 2018 with the regime going live at the beginning of 2019. Kambi expects its operators will be well-positioned to attract a significant proportion of the regulated market with the Kambi Sportsbook.

## **Kambi initiatives**

While the US Supreme Court has yet to pass judgment on the legitimacy of the sports betting ban in the US, there is growing optimism among operators, advisors and regulators that the prohibition of sports betting will be brought to an end sooner rather than later. While the timing of a market opening remains unclear, the size of the opportunity has prompted Kambi to begin preparations to enter as and when local laws allow.

As part of this preparation work, Kambi has taken steps to understand the likely licensing requirements, as well as the potential contents of state-by-state regulatory frameworks expected to follow. A state-by-state roll-out of sports betting in the US would closely resemble the regulation seen in Europe, with each state adopting their own unique frameworks. Should this occur, Kambi feels it would be well placed to meet the varying licensing demands, as it has done in Europe, with its scalable technology proven to be adaptable to diverse compliance specifications.

Furthermore, Kambi recently conducted a US product assessment to identify and close product gaps for the US audience, including minor modifications to meet the expectations of the local player. Kambi's quality of product, combined with its sports integrity ethos, will ensure it is well positioned to become a leading supplier when the market eventually opens up.

## Financial review

### Revenue

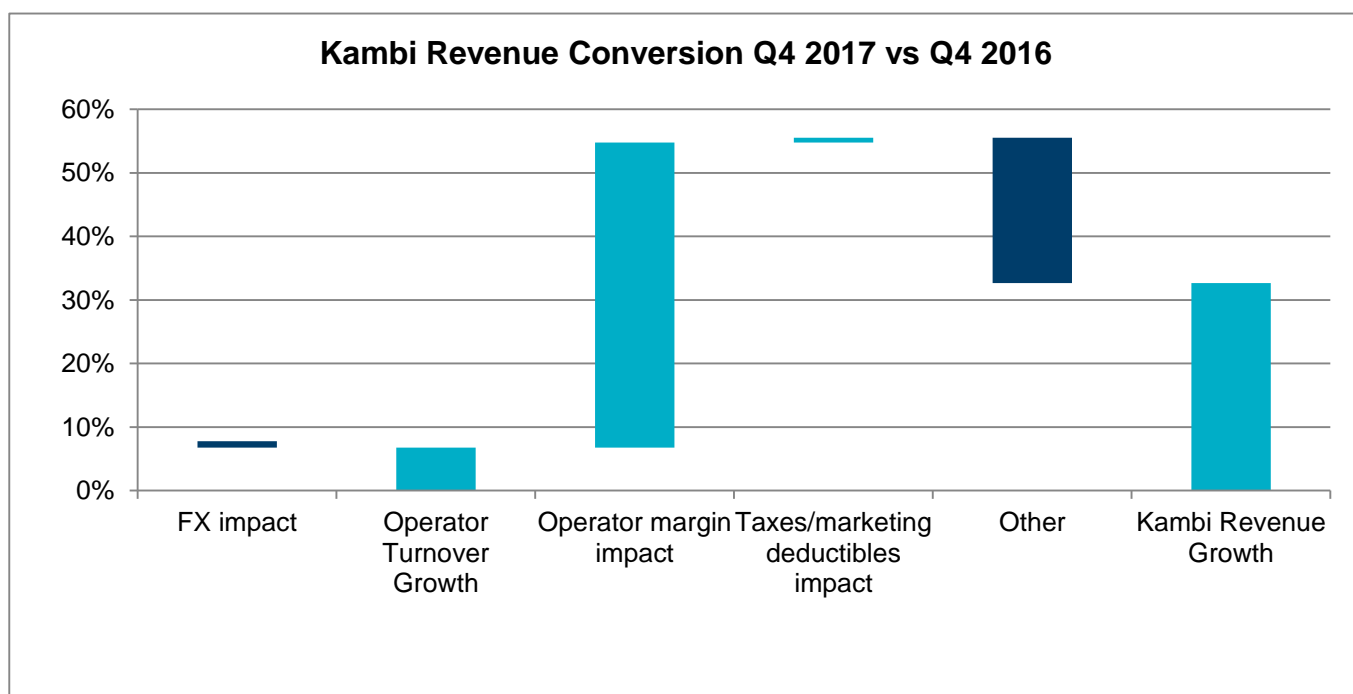
Revenue represents fees received for sports betting services rendered to Kambi's operators. In the fourth quarter of 2017, revenue was €19.0 (14.3) million. For the year up to December 2017, revenue was €62.1 (56.0) million. Revenue derived from locally regulated markets in Q4 was 48%.

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 less deductible costs, such as marketing and tax. The most significant part of Kambi's revenue comes from the revenue share element. The trading margin of 9.7% is significantly higher than both the margin in Q4 2016 and the first three quarters of 2017.

Q4 also saw the continued impact of the 888 contract renewal as in prior quarters. Additionally, 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. The growth in the business of many of the operators resulted in a lower effective commission rate in Q4 2017 than in Q4 2016.

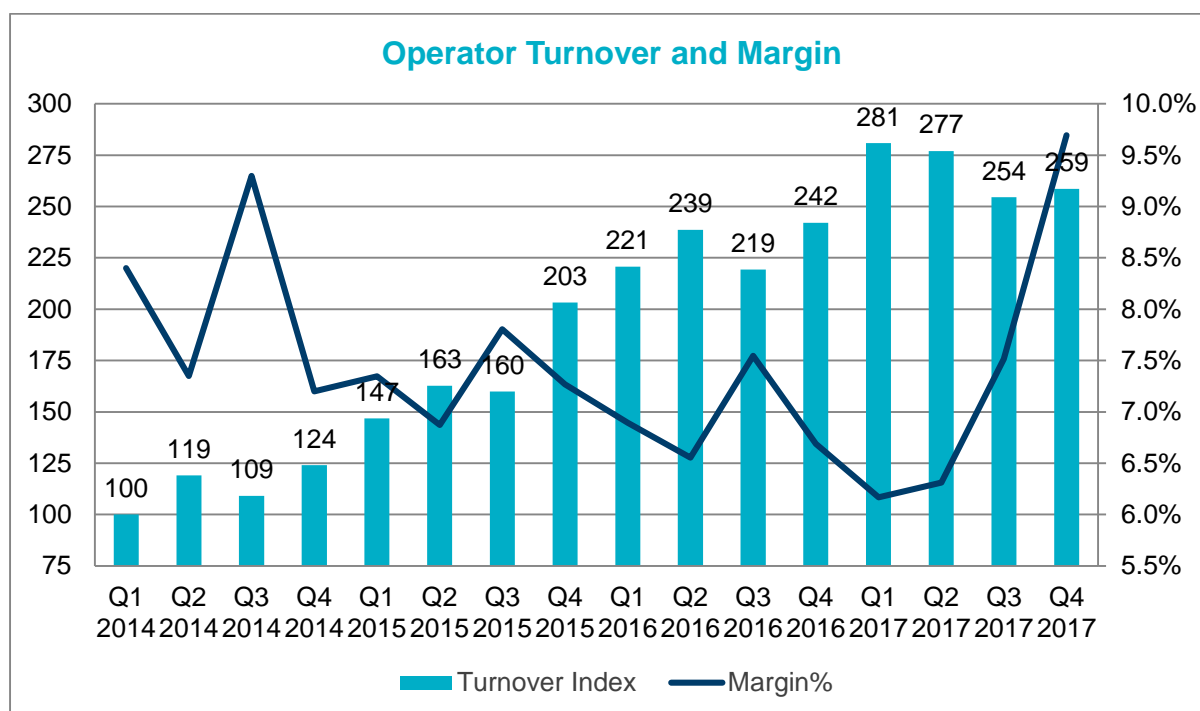
The net effect of the above factors was a €4.7 million increase in quarterly revenue year on year.

The graph below demonstrates how the growth in operator turnover ultimately results in Kambi's revenue growth.



### Operator trading analysis

In the interest of commercial sensitivity, 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 2014 and also illustrates Kambi's operators' quarterly trading margin.



Operator turnover for the fourth quarter of 2017 was 259, compared with 242 for the fourth quarter of 2016. The operator trading margin increased to 9.7%, bringing the year to date margin up to 7.4%, remaining slightly above the normalised levels we expect to see over a year. The trading margin was strengthened by operator-friendly results in certain sporting events mentioned in the Q4 Highlights. The strong trading margin had a negative impact on the level of turnover placed with our operators.

At Kambi, we aim for the optimal trading margin to drive turnover growth for our operators, in order to maximise their financial performance both short-term and long-term. The trading margin fluctuates over time mainly due to the outcome of sporting events with the highest betting volumes and value, such as the major football leagues, having a big impact on the average margin each quarter. Kambi currently believes the trading margin will average between 6.5 - 7% over time.

However, the growth of the operator network we are supporting, as well as certain other structural factors, may cause us to assess whether this range needs to be slightly higher. We will continue to monitor this closely.

### Currency effects

Kambi's principal currency is the Euro, which is also the reporting currency. However, we have both cost and revenue in certain other currencies, such as SEK, NOK and GBP. There was no material impact on profitability due to FX movements in the quarter.

### Operating expenses

Operating expenses are a combination of activity-related costs and fixed costs; the main expenses are salaries, office costs, live information feeds, consultant costs and amortisation. Operating expenses for the fourth quarter of 2017 were €14.0 (12.5) million and €54.4 (47.2) million for the year to December 2017.

Staff costs have increased from Q4 2016 due to an increase in headcount from the expansion of staff in trading and product development, allowing us to continually improve and expand our technical expertise and Sportsbook product. This is in line with our communicated strategy of investment to create a strong business proposition. During the year other costs have also increased due primarily to new office leases being taken in London, Stockholm and Romania at the end of 2016 and the start of 2017, and the increase in the number of live events being offered requiring the purchase of live events data.

Total operating expenses have increased by €0.3m when compared to Q3 2017, as anticipated.

Total operating expenses are anticipated to increase during Q1 2018 by 3 - 5% compared to Q4 2017, as the business continues to grow according to the business plan and operator needs.

### Operating profit

Operating profit for the fourth quarter of 2017 was €5.0 (1.8) million, with a margin of 26% (13%), and €7.7 (8.8) million for the full year 2017, with a margin of 12% (16%).

### Capitalised development costs

In the fourth quarter of 2017, development expenditure of €2.3 (2.0) million was capitalised, bringing the total for 2017 to €8.2 (7.6) million. These capitalised development costs are amortised over three years, starting in the year the costs are incurred. The amortisation charge this quarter was €1.8 (1.5) million, and €6.7 (5.7) million for the full year 2017.

### Profit before tax

Profit before tax for the fourth quarter of 2017 was €4.9 (1.7) million. Profit before tax for the year to December 2017 was €7.4 (8.5) million.

### Taxation

The tax expense for the fourth quarter of 2017 was €1.0 (0.5) million. The tax expense for the full year 2017 was €1.5 (1.0) million.

### Profit after tax

Profit after tax for the fourth quarter of 2017 was €3.9 (1.2) million. Profit after tax for the year to December 2017 was €5.9 (7.5) million.

### Financial position and cash flow

The net cash position at 31 December 2017 was €26.9 (25.1) million.

Cash flow from operating and investing activities (excluding working capital) amounted to €3.8 (1.0) million for the fourth quarter of 2017 and €4.7 (4.1) million for the full year 2017. Trade and other receivables at 30 December 2017 were €14.6 (9.1) million. This includes two months of invoices to most of Kambi's operators, due to the timing of the issue of invoices at the end of each calendar month; the higher revenues contributed to Kambi's receivables balance increasing in Q4 2017.

### Personnel

Kambi had 604 (525) employees equivalent to 592 (504) full time employees at 31 December 2017, across offices in Malta, Bucharest, London, Manila, Stockholm and Sydney.

### Main shareholders

The six largest shareholders as at 5 January 2018:

| <b>Name</b>            | <b>Shares</b> | <b>% of total shares</b> |
|------------------------|---------------|--------------------------|
| Veralda Investment Ltd | 7,531,710     | 25.09                    |
| Bodenholm Master       | 2,428,744     | 8.09                     |
| Swedbank Robur Fonder  | 2,402,414     | 8.00                     |
| Keel Capital           | 2,330,004     | 7.76                     |
| Fidelity Nordic Fund   | 1,414,011     | 4.71                     |
| Andra AP-fonden        | 1,406,333     | 3.52                     |



## **Nomination Committee**

The Nomination Committee has been updated to reflect Kambi's largest shareholders. The Nomination Committee shall consist of not less than three and not more than five members, of which one shall be the Chairman of the Board of Directors, and shall represent all shareholders.

The Nomination Committee is responsible for reviewing the size, structure and composition of the Board. The Committee also looks at succession planning, the appointment of replacement and/or additional directors and for making the appropriate recommendations to the Board.

The members of the Nomination Committee are:

- Lars Stugemo, Chairman of the Board of Kambi Group plc
- Anders Ström, Veralda Investment Ltd
- Evert Carlsson, Swedbank Robur Fonder
- Per Johansson, Bodenholm Capital
- Mathias Svensson, Keel Capital

Shareholders who would like to make proposals to the Nomination Committee may do so via e-mail to: [nomination.committee@kambi.com](mailto:nomination.committee@kambi.com).

## **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.

## **Financial calendar**

|                 |           |
|-----------------|-----------|
| 25 April 2018   | Q1 report |
| 16 May 2018     | AGM       |
| 25 July 2018    | Q2 report |
| 26 October 2018 | Q3 report |

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### **About Kambi**

Kambi Group plc is a B2B supplier of managed sports betting services on a proprietary software platform, providing premium turnkey sports betting services to gaming operators. Kambi's product encompasses a broad offering from front end through to odds compiling and risk management. The company's current coverage includes more than 185,000 live betting events and 300,000 pre-match events per year covering 65 different sports from all over the world. Kambi utilises a best of breed security approach, with guiding principles from ISO 27001. Kambi is eCOGRA certified. Kambi Group plc is listed on First North at Nasdaq Stockholm under the symbol "KAMBI". Kambi's Certified Advisor is Redeye AB.

### **Legal disclaimer**

Kambi does not give any forecasts. Certain statements in this report are forward-looking and the actual outcomes may be materially different. 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, the Swedish Securities Market Act and rules for companies listed on the First North at Nasdaq Stockholm.

The information in this report was sent for publication on Wednesday, 14<sup>th</sup> February 2018 at 07:45 CET by CEO Kristian Nylén.

**CONSOLIDATED INCOME STATEMENT**
**€ '000**

|                               | <b>Q4<br/>2017</b> | <b>Q4<br/>2016</b> | <b>Jan - Dec<br/>2017</b> | <b>Jan - Dec<br/>2016</b> |
|-------------------------------|--------------------|--------------------|---------------------------|---------------------------|
| <b>Revenue</b>                | <b>18,967</b>      | <b>14,298</b>      | <b>62,066</b>             | <b>56,003</b>             |
| Staff costs                   | -6,673             | -5,467             | -24,121                   | -21,821                   |
| Amortisation                  | -1,784             | -1,502             | -6,700                    | -5,668                    |
| Other operating expenses      | -5,521             | -5,520             | -23,552                   | -19,708                   |
| <b>Profit from operations</b> | <b>4,989</b>       | <b>1,809</b>       | <b>7,693</b>              | <b>8,806</b>              |
| Investment income             | 2                  | 2                  | 9                         | 14                        |
| Finance costs                 | -82                | -80                | -317                      | -313                      |
| <b>Profit before tax</b>      | <b>4,909</b>       | <b>1,731</b>       | <b>7,385</b>              | <b>8,507</b>              |
| Income tax                    | -986               | -496               | -1,483                    | -994                      |
| <b>Profit after tax</b>       | <b>3,923</b>       | <b>1,235</b>       | <b>5,902</b>              | <b>7,513</b>              |

**CONSOLIDATED STATEMENT OF COMPREHENSIVE  
 INCOME**
**€ '000**

|   | <b>Q4<br/>2017</b> | <b>Q4<br/>2016</b> | <b>Jan - Dec<br/>2017</b> | <b>Jan - Dec<br/>2016</b> |
|---|--------------------|--------------------|---------------------------|---------------------------|
| <b>Profit after tax for the period</b>            | <b>3,923</b>       | <b>1,235</b>       | <b>5,902</b>              | <b>7,513</b>              |
| Other comprehensive income:                       |                    |                    |                           |                           |
| Currency translation adjustments taken to equity  | -431               | 45                 | -594                      | -790                      |
| Actuarial loss on employee defined benefit scheme | -                  | 24                 | -                         | 24                        |
| <b>Comprehensive income for the period</b>        | <b>3,492</b>       | <b>1,304</b>       | <b>5,308</b>              | <b>6,747</b>              |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

€ '000

|                                       | 31 Dec<br>2017 | 31 Dec<br>2016 |
|---------------------------------------|----------------|----------------|
| <b>ASSETS</b>                         |                |                |
| <b><i>Non-current assets</i></b>      |                |                |
| Intangible assets                     | 11,428         | 10,025         |
| Property, plant and equipment         | 3,883          | 3,760          |
| Deferred tax assets                   | 1,504          | 1,302          |
|                                       | <b>16,815</b>  | <b>15,087</b>  |
| <b><i>Current assets</i></b>          |                |                |
| Trade and other receivables           | 14,586         | 9,140          |
| Cash and cash equivalents             | 34,303         | 32,388         |
|                                       | <b>48,889</b>  | <b>41,528</b>  |
| <b>Total assets</b>                   | <b>65,704</b>  | <b>56,615</b>  |
| <b>EQUITY AND LIABILITIES</b>         |                |                |
| <b><i>Capital and reserves</i></b>    |                |                |
| Share capital                         | 90             | 89             |
| Share premium                         | 53,660         | 53,273         |
| Other reserves                        | 2,135          | 1,486          |
| Currency translation reserve          | -1,547         | -953           |
| Retained earnings                     | -8,019         | -13,921        |
| <b>Total equity</b>                   | <b>46,319</b>  | <b>39,974</b>  |
| <b><i>Non-current liabilities</i></b> |                |                |
| Convertible bond                      | 7,407          | 7,317          |
| Other liabilities                     | 61             | 49             |
| Deferred tax liabilities              | 218            | 154            |
|                                       | <b>7,686</b>   | <b>7,520</b>   |
| <b><i>Current liabilities</i></b>     |                |                |
| Trade and other payables              | 10,222         | 7,788          |
| Tax liabilities                       | 1,477          | 1,333          |
|                                       | <b>11,699</b>  | <b>9,121</b>   |
| <b>Total liabilities</b>              | <b>19,385</b>  | <b>16,641</b>  |
| <b>Total equity and liabilities</b>   | <b>65,704</b>  | <b>56,615</b>  |

**CONSOLIDATED STATEMENT OF CASH FLOWS**

€ '000

|   | Q4<br>2017    | Q4<br>2016    | Jan - Dec<br>2017 | Jan - Dec<br>2016 |
|---|---------------|---------------|-------------------|-------------------|
| <b>OPERATING ACTIVITIES</b>                                     |               |               |                   |                   |
| Profit from operations  | 4,989         | 1,809         | 7,693             | 8,806             |
| <i>Adjustments for:</i>   |               |               |                   |                   |
| Depreciation of property, plant and equipment                   | 423           | 331           | 1,621             | 1,157             |
| Amortisation of intangible assets                               | 1,784         | 1,502         | 6,700             | 5,668             |
| Share-based payment   | 95            | 105           | 318               | 350               |
| <b>Operating cash flows before movements in working capital</b> | <b>7,291</b>  | <b>3,747</b>  | <b>16,332</b>     | <b>15,981</b>     |
| (Increase)/decrease in trade and other receivables              | -2,982        | 1,191         | -5,447            | 1,283             |
| (Decrease)/increase in trade and other payables                 | 1,014         | 1,055         | 2,435             | 527               |
| (Decrease)/increase in other liabilities                        | 12            | -4            | 12                | -1                |
| (Decrease)/increase in deferred revenue                         | -             | -182          | -                 | -                 |
| <b>Cash flows from operating activities</b>                     | <b>5,335</b>  | <b>5,807</b>  | <b>13,332</b>     | <b>17,790</b>     |
| Income taxes paid net of tax refunded                           | -438          | -86           | -1,157            | -865              |
| Interest income received  | 9             | 2             | 9                 | 14                |
| <b>Net cash generated from operating activities</b>             | <b>4,906</b>  | <b>5,723</b>  | <b>12,184</b>     | <b>16,939</b>     |
| <b>INVESTING ACTIVITIES</b>                                     |               |               |                   |                   |
| Purchases of property, plant and equipment                      | -725          | -600          | -2,285            | -3,428            |
| Development and acquisition costs of intangible assets          | -2,348        | -2,047        | -8,224            | -7,577            |
| <b>Net cash used in investing activities</b>                    | <b>-3,073</b> | <b>-2,647</b> | <b>-10,509</b>    | <b>-11,005</b>    |
| <b>FINANCING ACTIVITIES</b>                                     |               |               |                   |                   |
| Proceeds from issue of new shares                               | 81            | -             | 387               | -                 |
| Interest paid   | -2            | -             | -248              | -225              |
| <b>Net cash used in financing activities</b>                    | <b>79</b>     | <b>-</b>      | <b>139</b>        | <b>-225</b>       |
| <b>Net increase in cash and cash equivalents</b>                | <b>1,912</b>  | <b>3,076</b>  | <b>1,814</b>      | <b>5,709</b>      |
| <b>Cash and cash equivalents at beginning of period</b>         | <b>32,243</b> | <b>29,336</b> | <b>32,388</b>     | <b>27,481</b>     |
| <b>Effect of foreign exchange differences</b>                   | <b>148</b>    | <b>-24</b>    | <b>101</b>        | <b>-802</b>       |
| <b>Cash and cash equivalents at end of period</b>               | <b>34,303</b> | <b>32,388</b> | <b>34,303</b>     | <b>32,388</b>     |

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

€ '000

|   | Q4<br>2017    | Q4<br>2016    | Jan - Dec<br>2017 | Jan - Dec<br>2016 |
|---|---------------|---------------|-------------------|-------------------|
| <b>Opening balance at beginning of period</b> | 42,319        | 38,078        | 39,974            | 32,390            |
| <b>Comprehensive income</b>                   |               |               |                   |                   |
| Profit for the period                         | 3,923         | 1,235         | 5,902             | 7,513             |
| <i>Other comprehensive income:</i>            |               |               |                   |                   |
| Translation adjustment                        | -431          | 45            | -594              | -790              |
| Actuarial loss on employee defined benefits   | -             | 24            | -                 | 24                |
|   | <b>3,492</b>  | <b>1,304</b>  | <b>5,308</b>      | <b>6,747</b>      |
| <b>Transactions with owners</b>               |               |               |                   |                   |
| Share options - value of employee services    | 95            | 105           | 318               | 350               |
| Other (share premium)                         | 82            | -             | 388               | -                 |
| Deferred tax on share options                 | 331           | 487           | 331               | 487               |
|   | <b>508</b>    | <b>592</b>    | <b>1,037</b>      | <b>837</b>        |
| <b>Closing balance at end of period</b>       | <b>46,319</b> | <b>39,974</b> | <b>46,319</b>     | <b>39,974</b>     |

**KEY RATIOS**

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

|  | <b>Q4<br/>2017</b> | <b>Q4<br/>2016</b> | <b>Jan - Dec<br/>2017</b> | <b>Jan - Dec<br/>2016</b> |
|--|--------------------|--------------------|---------------------------|---------------------------|
| Operator turnover as index of Q1 2014        | 259                | 242                | n/a                       | n/a                       |
| Operating (EBIT) margin, %                   | 26%                | 23%                | 12%                       | 16%                       |
| EBITDA (€ m)                                 | 7.2                | 3.6                | 16.0                      | 15.6                      |
| EBITDA margin, %                             | 38%                | 25%                | 26%                       | 28%                       |
| Equity/assets ratio, %                       | 70%                | 71%                | 70%                       | 71%                       |
| Employees at period end                      | 604                | 525                | 604                       | 525                       |
| Earnings per share (€)                       | 0.131              | 0.042              | 0.198                     | 0.253                     |
| Fully diluted earnings per share (€)         | 0.127              | 0.040              | 0.192                     | 0.246                     |
| Number of shares at period end               | 30,015,197         | 29,741,197         | 30,015,197                | 29,741,197                |
| Fully diluted number of shares at period end | 30,864,731         | 30,605,809         | 30,864,731                | 30,605,809                |
| Average number of shares                     | 29,985,197         | 29,741,197         | 29,878,197                | 29,741,197                |
| Average number of fully diluted shares       | 30,814,476         | 30,580,030         | 30,735,270                | 30,582,383                |