

The logo for betsson ab, featuring the word "betsson" in a lowercase, sans-serif font, followed by "ab" in a smaller, lowercase, sans-serif font. The background is a teal color with a repeating pattern of small, light-colored icons related to gambling and finance, such as dice, roulette wheels, and playing cards.

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Q3 2021

Pontus Lindwall, President & CEO Betsson AB

Martin Öhman, CFO Betsson AB

OUTLINE

- Highlights
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- Financials
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- Regulatory update
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- Q&A

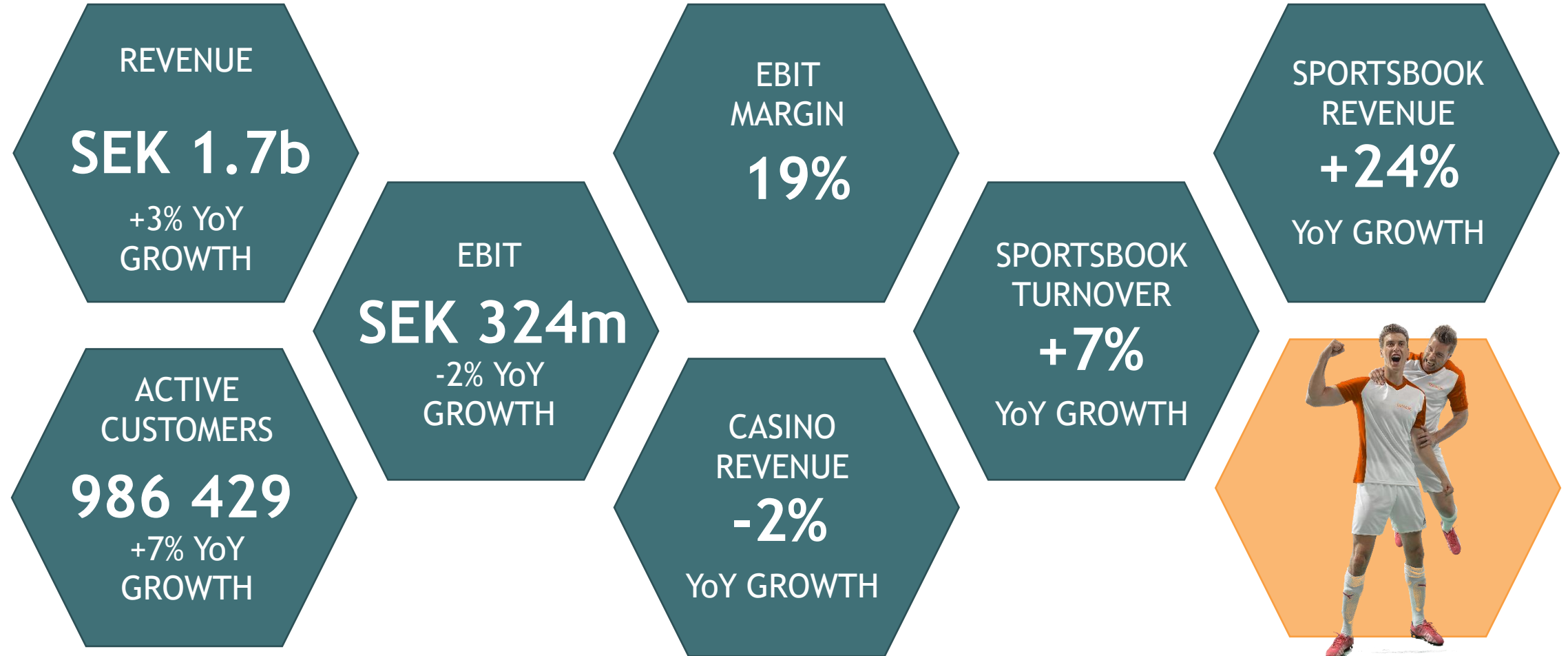


Pontus Lindwall
CEO, Betsson AB



Martin Öhman
CFO, Betsson AB

Q3 HIGHLIGHTS



RECENT DEVELOPMENTS OF THE DUTCH MARKET

- Dutch customers temporary suspended from playing on Betsson sites since September 30
- Decision taken with the objective to operate under the new Dutch licensing regime
- Financial impact: EBIT is estimated to approximately SEK -25 million/month



01

Preparation
and audits



02

Betsson's cooling-
off period end in
February 2022



03

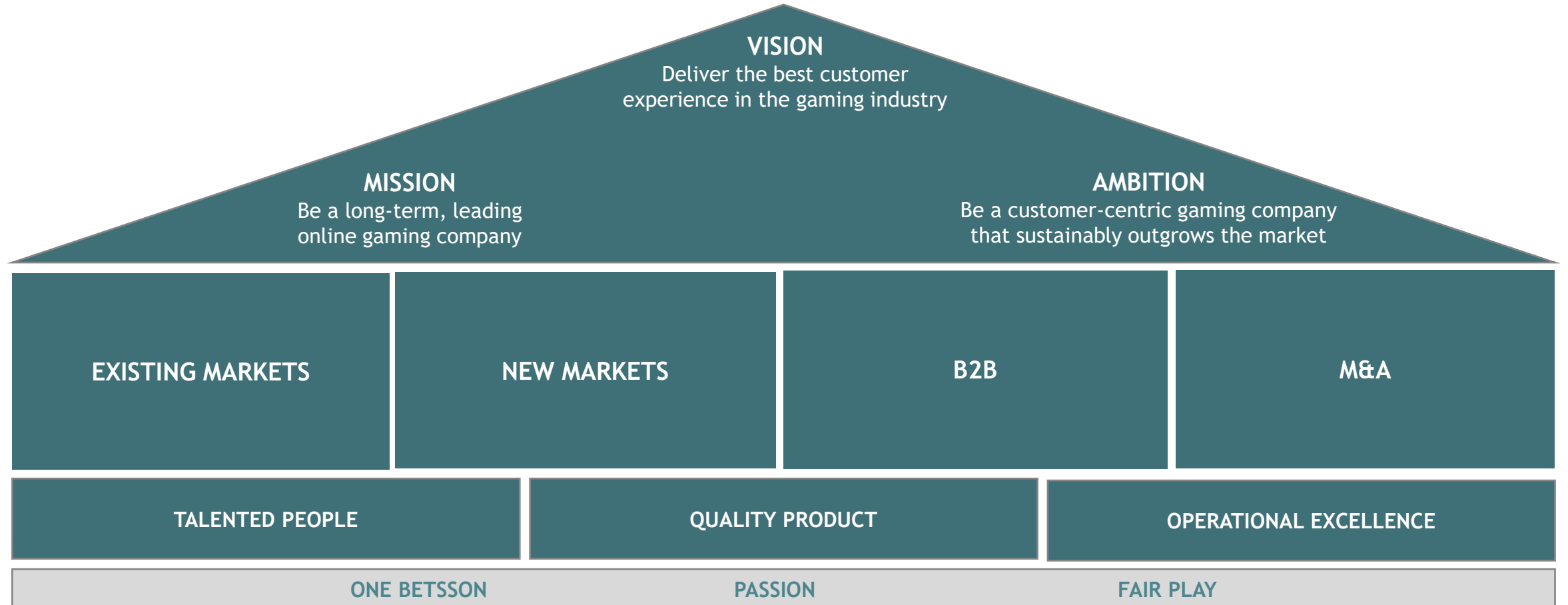
Betsson's license
application is handed
in after the cooling-
off period ends



04

Outcome of the license
application is expected
after the summer 2022

THE BETSSON STRATEGY SUPPORTS GROWTH



NEW MARKETS

EXISTING MARKETS	NEW MARKETS	B2B	M&A
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- Betsson launched its operations in Croatia in Q3 2020
- Croatia had a very strong growth in Q3: +25% QoQ
- Mega Jackpot will be added to an already competitive offering



- Sports launched in Greece on June 10 and Casino on July 29
- Very positive start in the market as a whole; NDC grew by 6x QoQ
- Very strong revenue growth during Q3



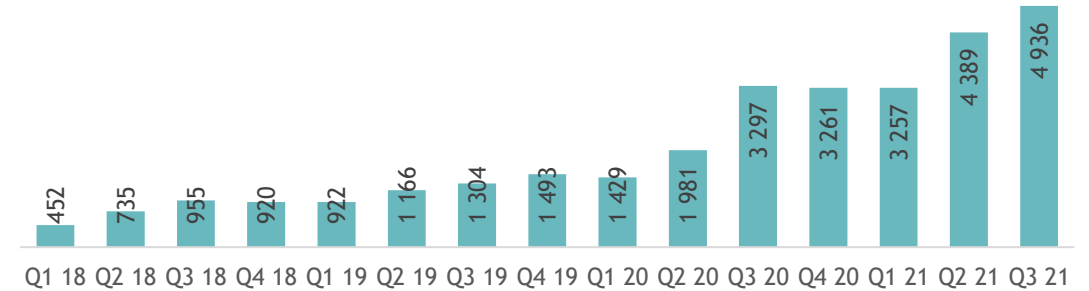
LATAM CONTINUES TO SHOW STRONG DEVELOPMENT



LatAm region growing at a continued strong pace reaching ATH in Q3 2021



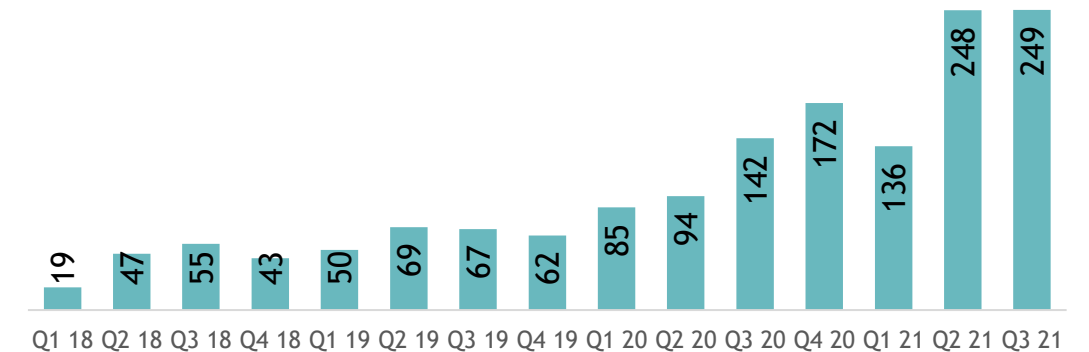
Turnover SEKm



Strong underlying turnover driving growth, also reaching ATH in Q3 21 across both casino and sportsbook



Revenue SEKm



Sportsbook revenue up by 88% YoY, representing 59% of total revenue

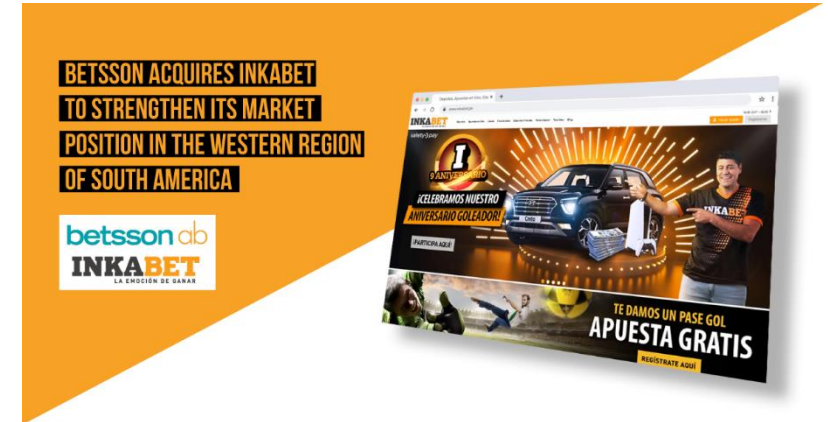


Continued growth in casino revenue reaching ATH in Q3 2021

STRATEGIC INVESTMENTS



- Inkabet's B2C online gambling business was acquired at 3.8 times EBIT
 - Inkabet is one of the leading B2C brands targeting the western region of South America
 - Revenue over the last 12 months was USD 25.2 million and EBIT USD 8.8 million



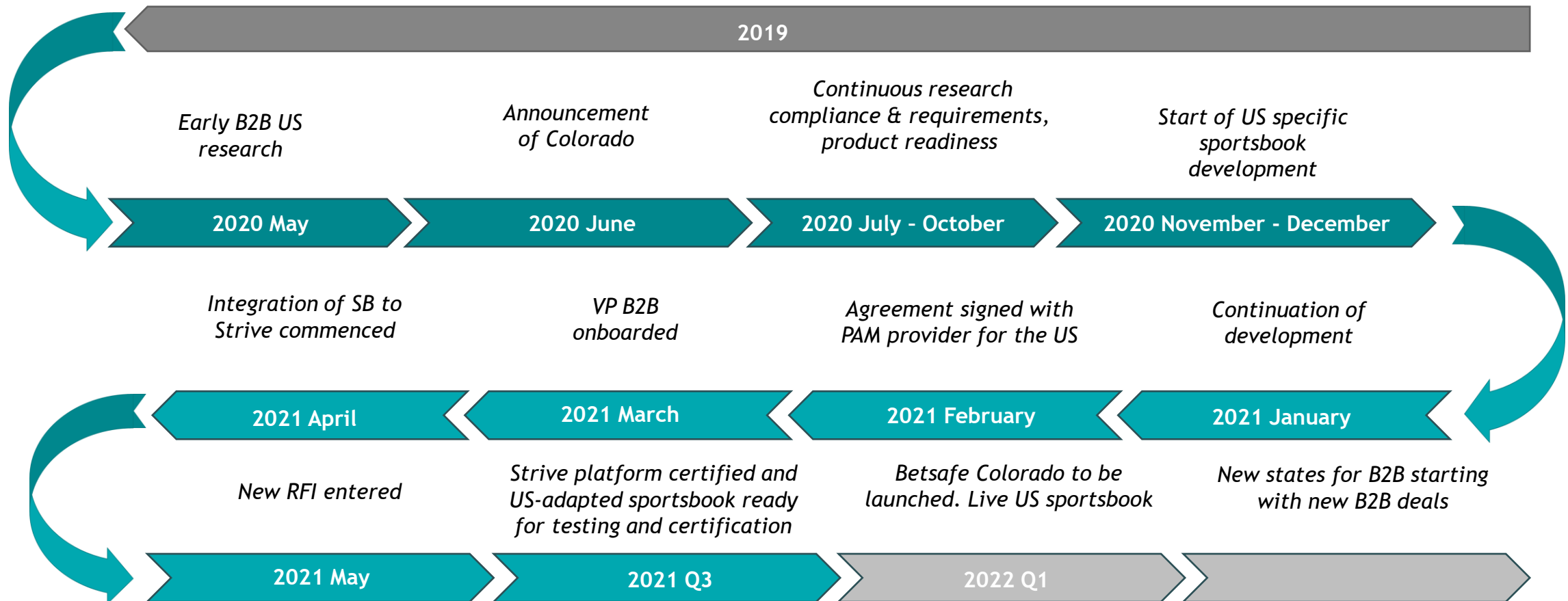
- Investment (28%) of in Slapshot Media for CAD 3 million
 - A Canadian start-up specialising in creating localised sports content and providing services to the online gaming market
 - Canada is in the process of being regulated



BETSSON US TIMELINE



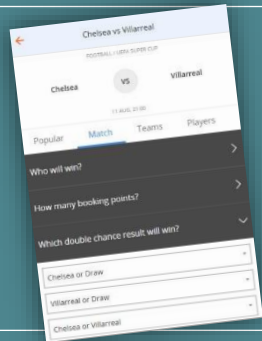
Contacts with potential prospects



INNOVATION SUPPORTING GROWTH

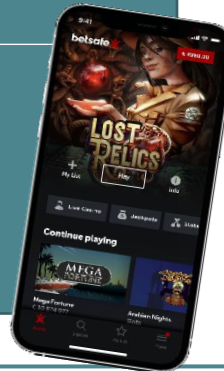


Strengthened user experience on games lobbies including improved views allowing for faster game selection



BetBuilder was upgraded to provide a wider sport offering beyond football

The new Betsafe Casino app was launched in Peru and Sweden



94 casino games were released, 14 of which came with a Period of Exclusivity for our brands



Colbet Colombia migrated to a new platform/SB solution based on Tecnalis

Horse Racing is now offered on Betsson Chile



SUSTAINABILITY FRAMEWORK



Governance model

Sustainability Council
Members from OM/AB Management

Sustainability Task force
Members from within Betsson Operations

RESPONSIBLE GAMING - CUSTOMER INTERACTIONS

Betsson proactively increased vigilance in recognition of its customers' temporarily changed circumstances during the pandemic to ensure their safety is maintained

Responsible Gaming Tools



deposit limit



info pages



self-exclusion



product blocks



time-outs



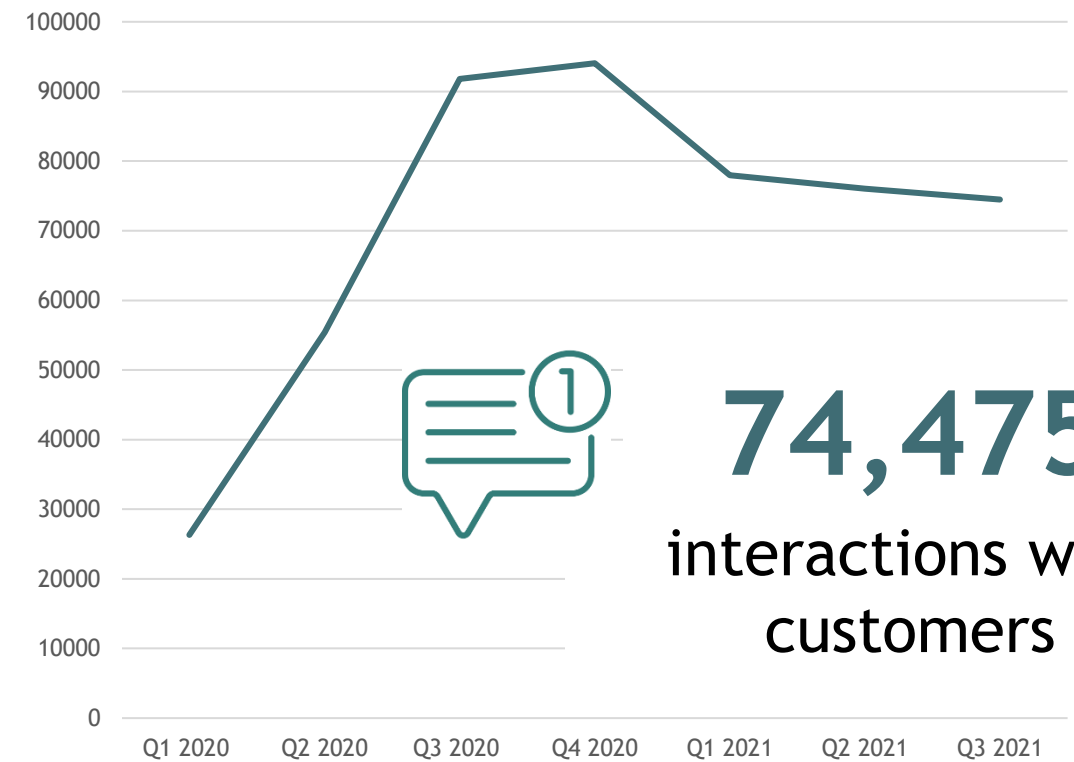
self assessments



reality checks



24/7 support



A CLIMATE ROADMAP TO REACH SET GOALS



CLIMATE IMPACT

Climate targets are set for 2030 to reduce greenhouse gases by:

- At least 55% for Scope 1 and 2
- At least 15% for Scope 3

Outcome 2020:

- 53% reduced emissions related to Scope 1 and 2
- 3% increase in emissions related to Scope 3

Work on a climate roadmap to reach Science based targets commenced during Q3

RECENT AWARDS



International Gaming Awards 2021

Safer Gambling Operator of the Year

Mobile Operator of the Year



Women in Gaming, Diversity Awards 2021

Diversity & Inclusion Award

FINANCIALS

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DEVELOPMENT AND KPIs



Active customers increased
by 7% to 986,429



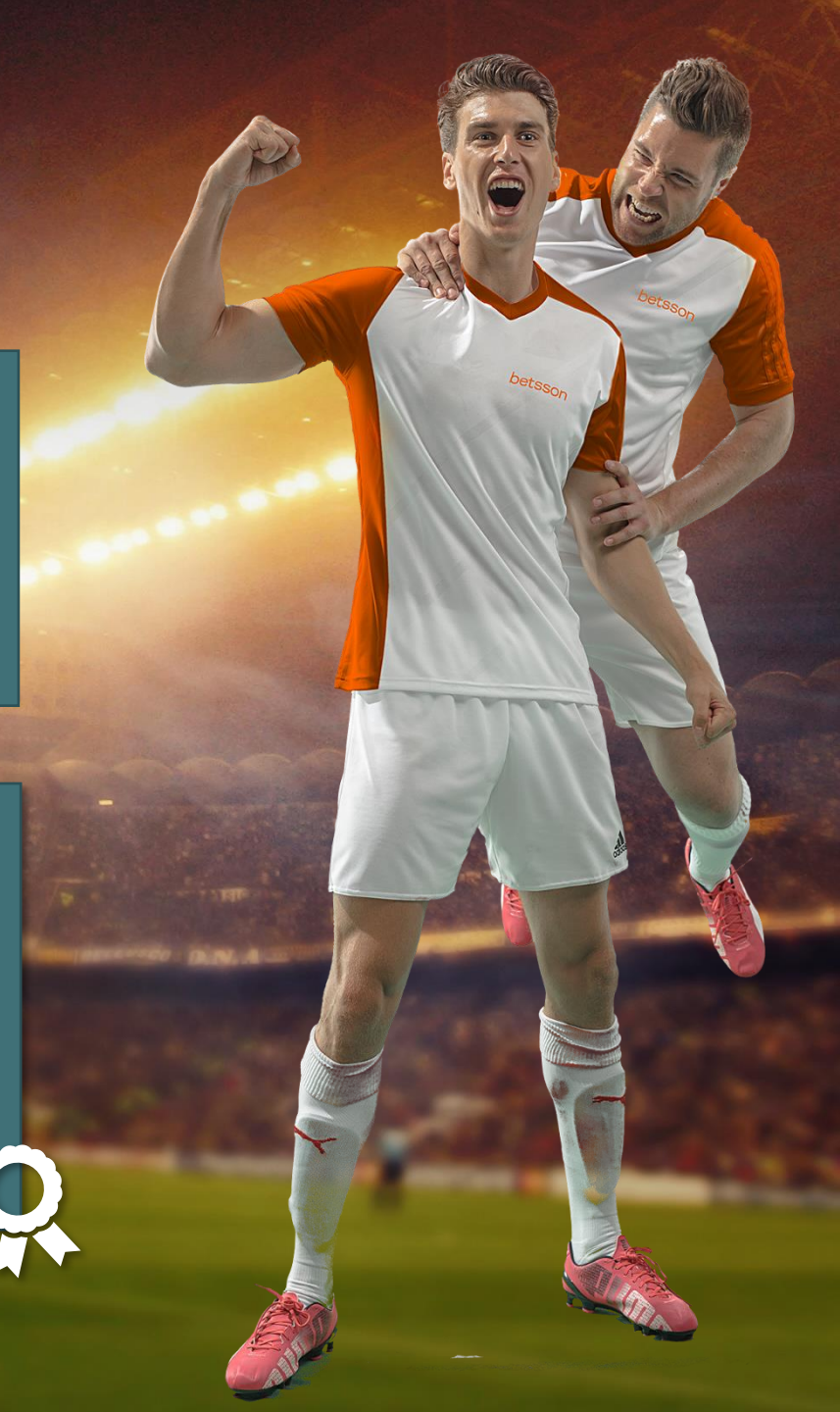
Deposits increased
by 2% to MSEK 7,720.3

Casino revenue
decreased
by 2% YoY

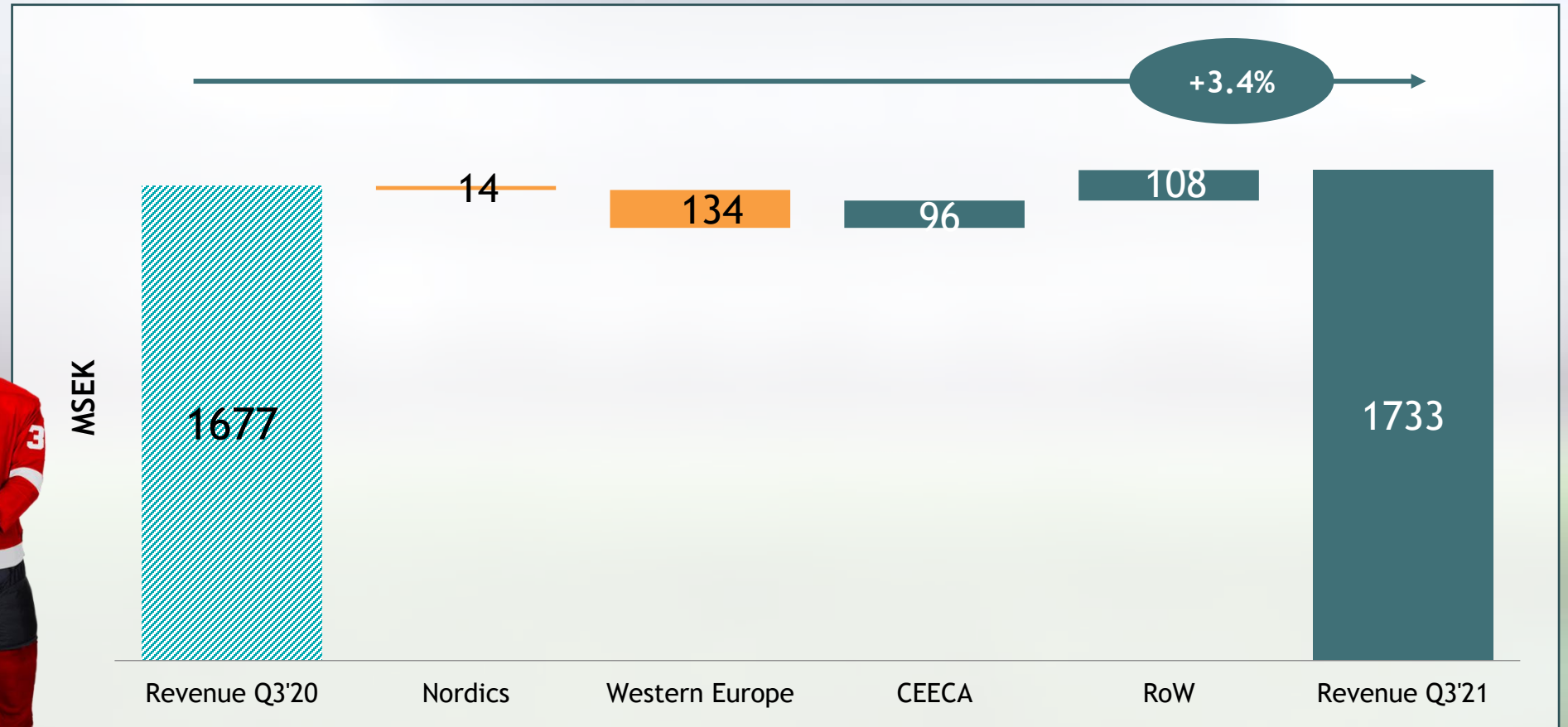
Mobile revenue 82%
of total casino revenue

Sportsbook turnover increased
by 7% YoY with a margin of
7.9%

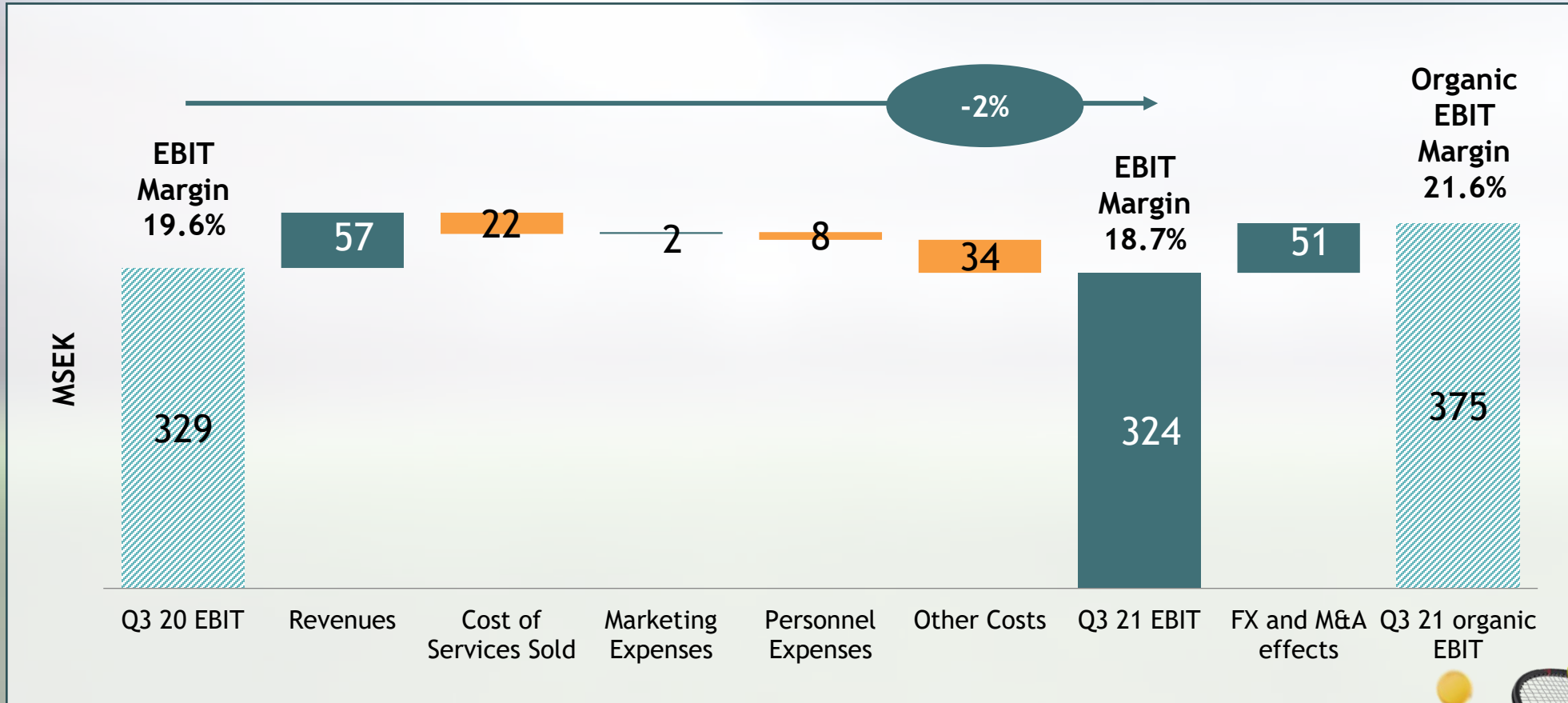
Sportsbook revenue up 24% YoY
Mobile revenue: 81% of total



REVENUE DEVELOPMENT BY REGION



EBIT DEVELOPMENT YOY



CASH FLOW & FINANCIAL POSITION

- Operating cash flow
 - Positive effect on working capital mainly driven by declined balances on payment providers
- Investments
 - Driven by investments in Betsson’s proprietary technology and acquisition of shares in associated companies
- Financing activities
 - Driven by utilization of the RCF
- Net debt SEK -65 (148) million
 - Net debt/EBITDA -0.1 (0.1)
- Equity/assets ratio 62% (62%)

SEK m	Q3 2021	Q3 2020
Operating cash flow	423.5	494.6
Cash flow from investing activities	-154.3	-107.6
Cash flow from financing activities	114.4	-401.5
Cash flow for the period	384.5	-14.4
Cash and cash equivalents, end of period	1,295.8	962.5

Q4 2021 TRADING UPDATE*



Average daily revenue until 17 October was **17.6%** lower than the average daily revenue of the full Q4 2020

Adjusted for negative currency effects average daily revenue was **12.9%** lower than the average daily revenue of the full Q4 2020

Sportsbook margin was 4.2% - extra ordinary low historically

The sportsbook margin was the strongest reason behind the decrease, but the Netherlands also had a negative impact

** This trading update is an indication of how the fourth quarter has started, however it is not a revenue forecast*

REGULATORY UPDATE

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REGULATORY UPDATE

NORWAY



The Norwegian government has announced a proposal to introduce DNS blocking on unlicensed gambling websites offering services to Norwegian residents.

GERMANY



A Germany-wide online casino regulation was introduced in July implicating that all online casino games are subject to a turnover tax of 5.3%.

BRAZIL



In Brazil the taxation of gaming has been shifted to a GGR based tax. A license tender process is expected to commence before the end of 2021.

ITALY



A proposal will be submitted for reorganising the entire Italian gambling regime with the aim to transform it into a simpler uniform legislation.

CANADA



In June, Canada's parliament passed a law allowing each province to determine how it wishes to regulate sports betting within its jurisdiction.

SUMMARY Q3

- Solid revenue growth on the back of a strong Q3 in 2020 driven by high sportsbook activity and increased traction in new markets
- Dutch operations ceased following a recent new regulatory policy - with the aim to obtain a Dutch license by the end of next summer
- The acquisitions of Inkabet and Slapshot Media are paving the way for future growth
- US operations on track to launch in Q1 2022



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THANK YOU

TIME FOR Q&A