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Q2 2020

Pontus Lindwall, President & CEO Betsson AB

Martin Öhman, CFO Betsson AB

OUTLINE

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- Financial overview
- Q3 Trading update
- Product & Technology update
- Regulation & Sustainability
- Growth drivers and summary
- Q&A



Pontus Lindwall
CEO, Betsson AB



Martin Öhman
CFO, Betsson AB

OVERVIEW

FINANCIAL HIGHLIGHTS

ATH
REVENUES
SEK 1.5bn
+20% YoY
INCREASE



ORGANIC
REVENUE
+12%
YoY GROWTH

EBIT
SEK 218m
+11% YoY
INCREASE

EBIT
MARGIN
14.2%

CASINO
REVENUE
+40%
YoY GROWTH

SPORTSBOOK
REVENUE
-34%
YoY DECLINE

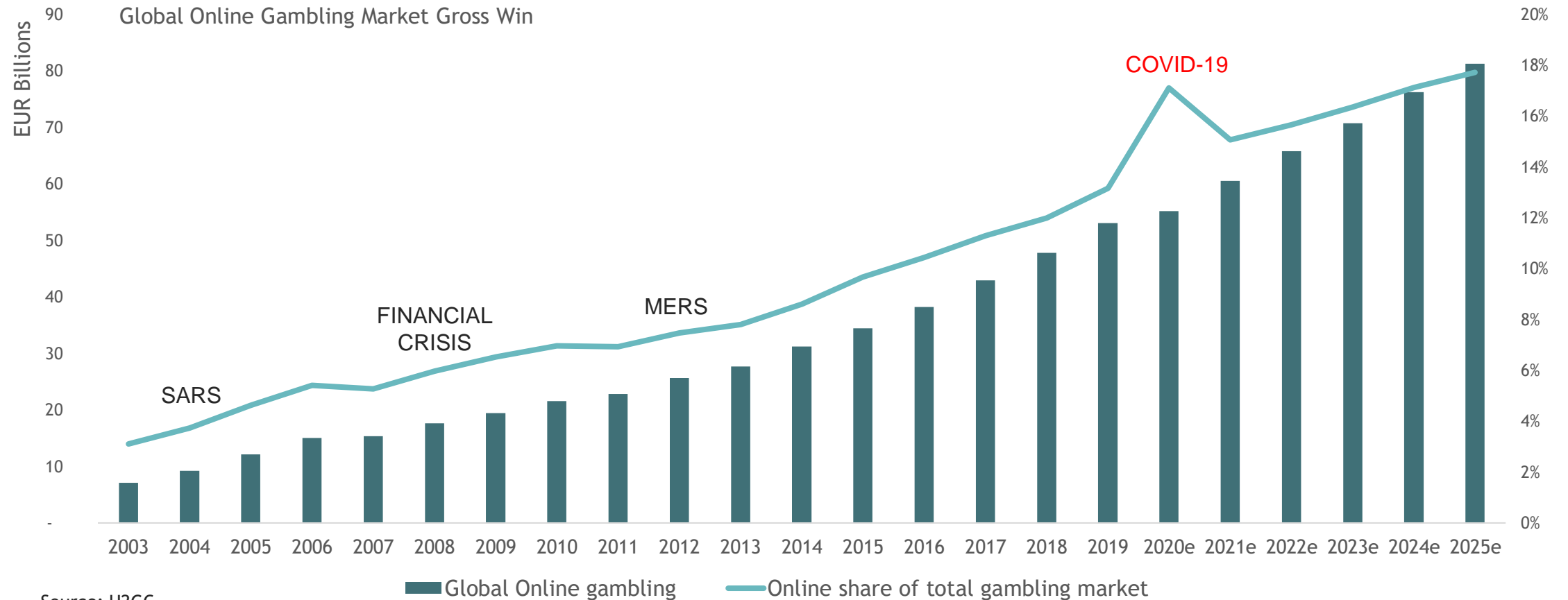


ACQUISITIONS & NEW MARKET ENTRIES



ONLINE ENTERTAINMENT RESILIENT TO CRISIS

THE GAMBLING MARKET IS RESILIENT TO CRISIS



DIVERSIFICATION CREATES RESILIENCE



Diversified product and brand portfolio, geographical spread plus strong finances balance market fluctuations

Remote working continued with all colleagues delivering a stand-out performance

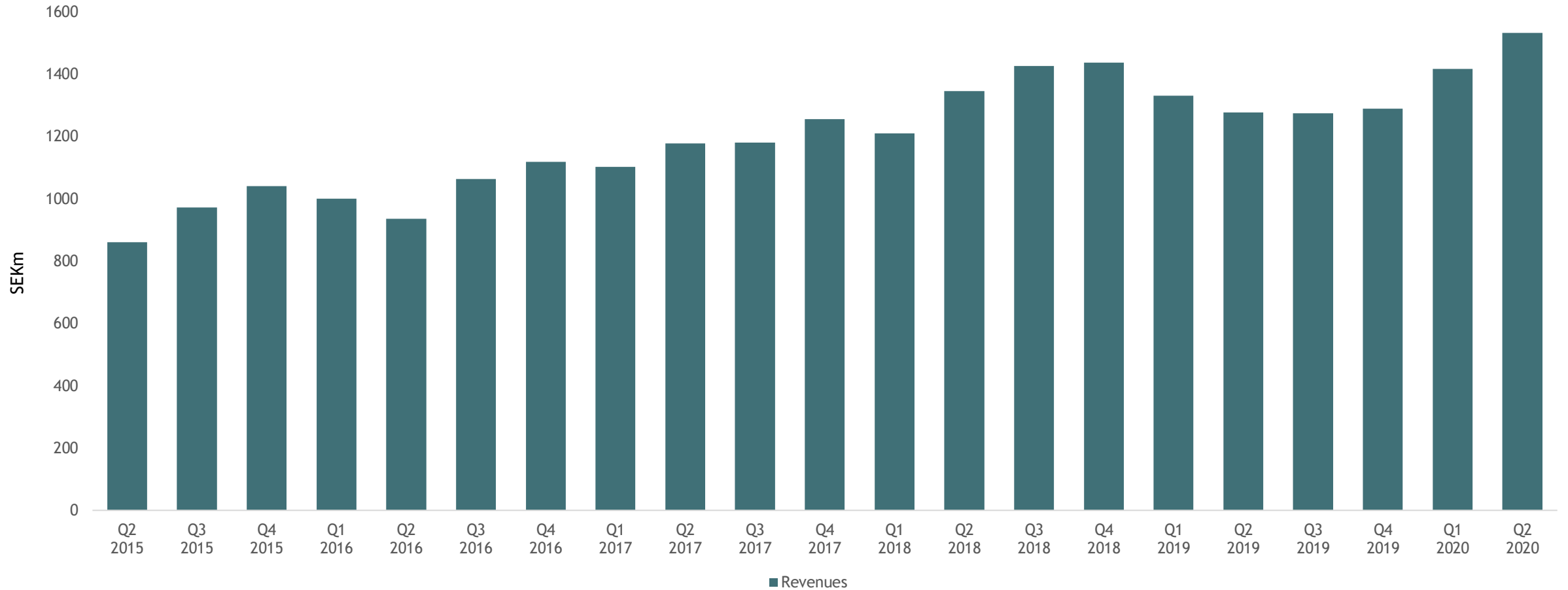
Uplift in casino and an accelerated transition from retail to online gambling

Sports betting revenues hit end of Q1 and Q2, returning at the end of Q2

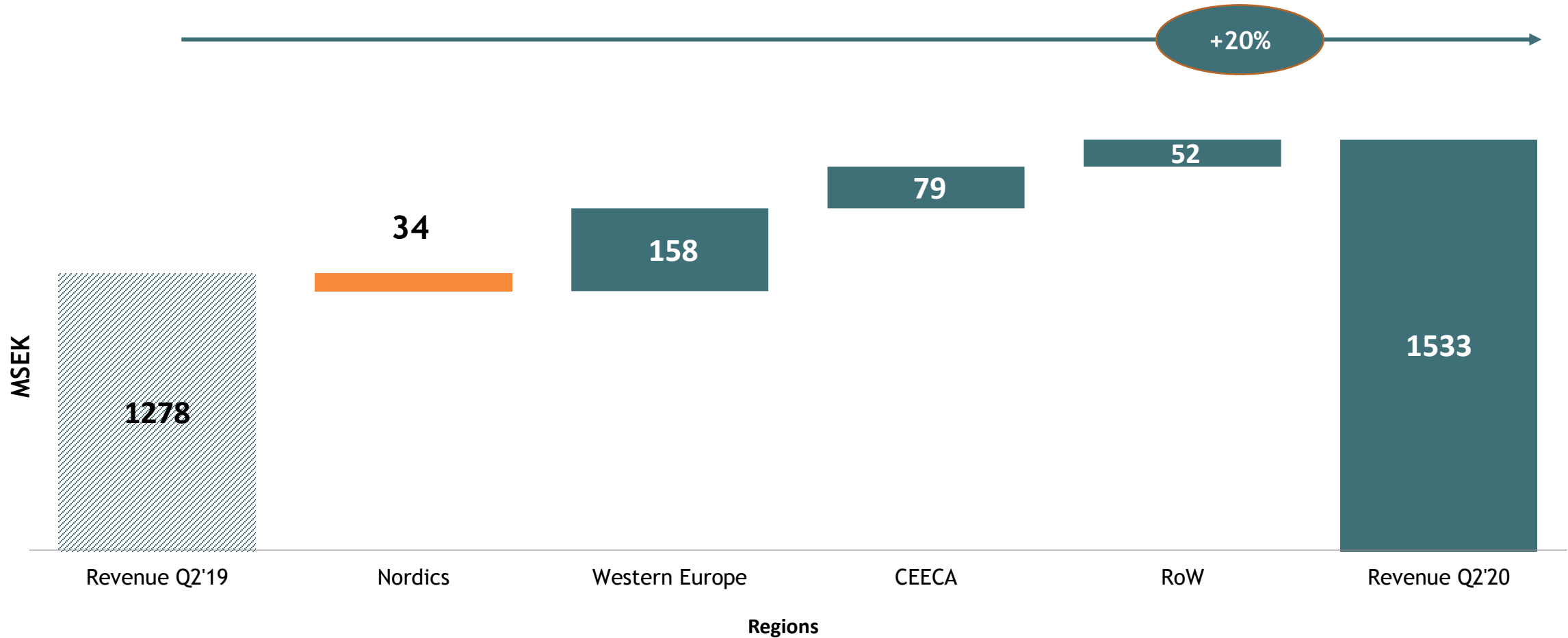
Betsson keeps building for the future with full force on major projects and investments

FINANCIAL OVERVIEW

5Y REVENUE DEVELOPMENT



REVENUE DEVELOPMENT BY REGION

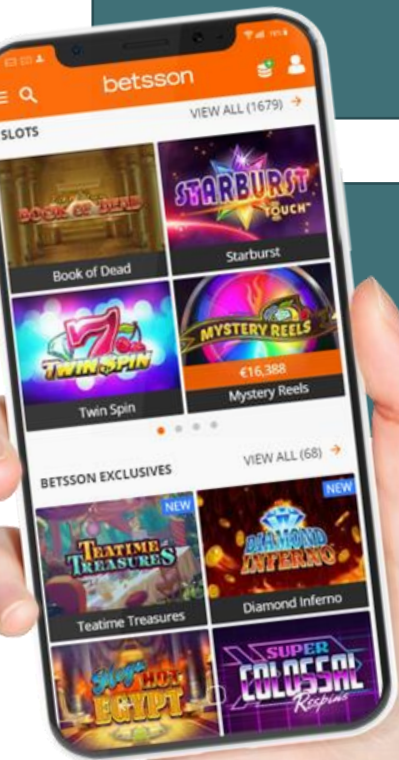


CASINO DEVELOPMENT

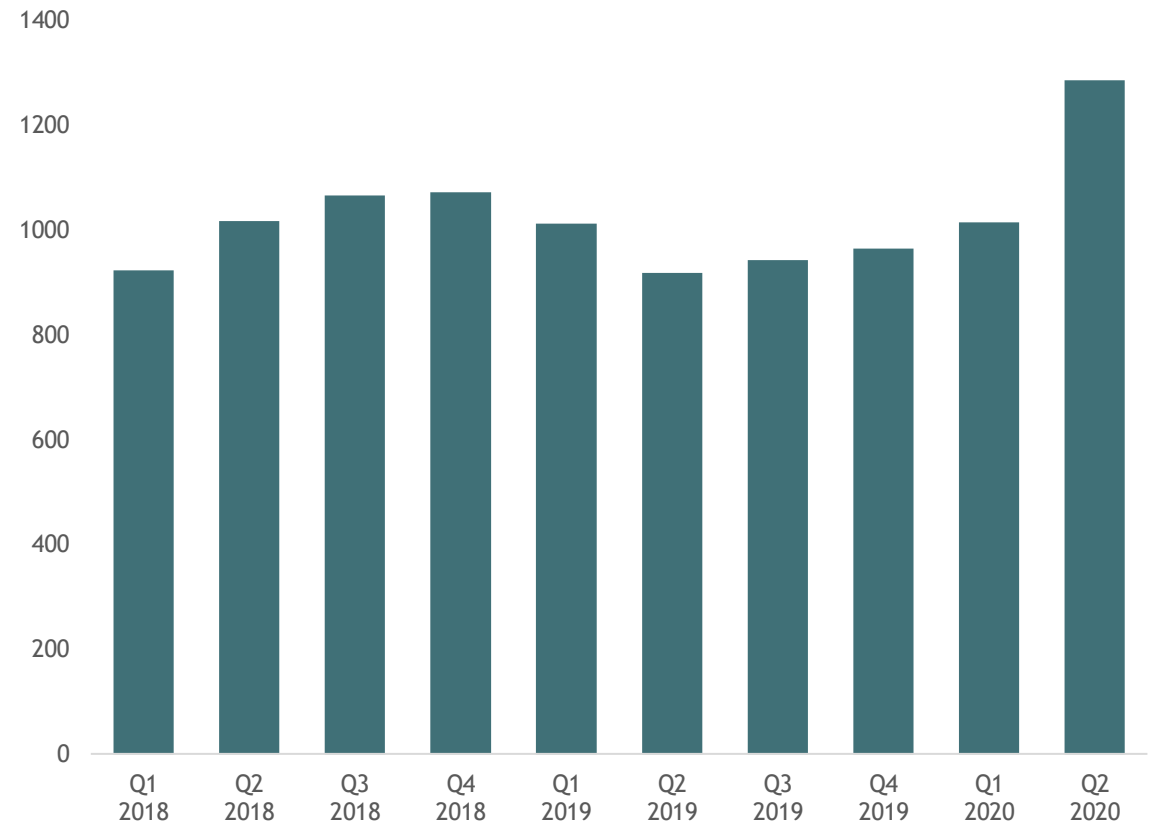
Casino revenue up by 40%
(29% organic) YoY, 84% (72%)
of total revenues

Mobile gambling 72% (69%)
of total casino revenues

Casino showed growth
in all regions



Casino revenue



SPORTSBOOK DEVELOPMENT



Sportsbook revenue declined by 34% YoY, representing 15% of total revenue



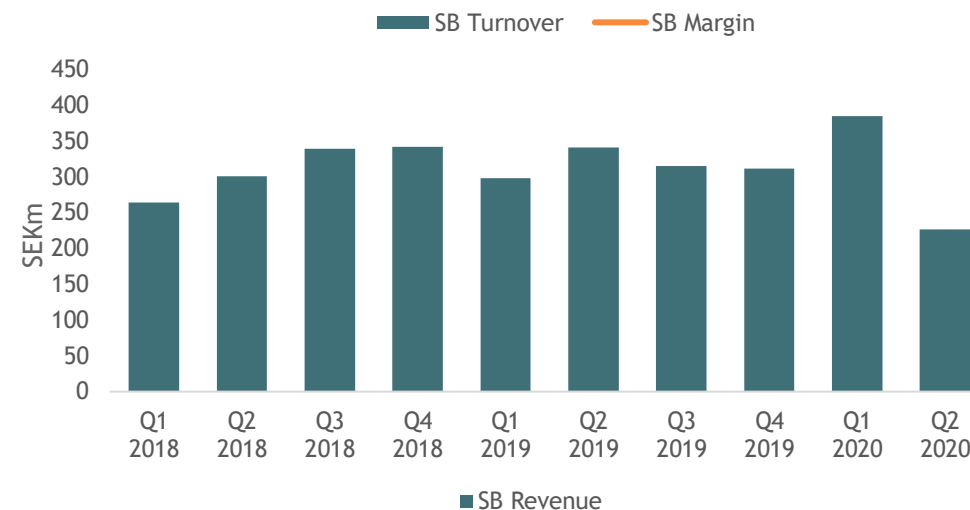
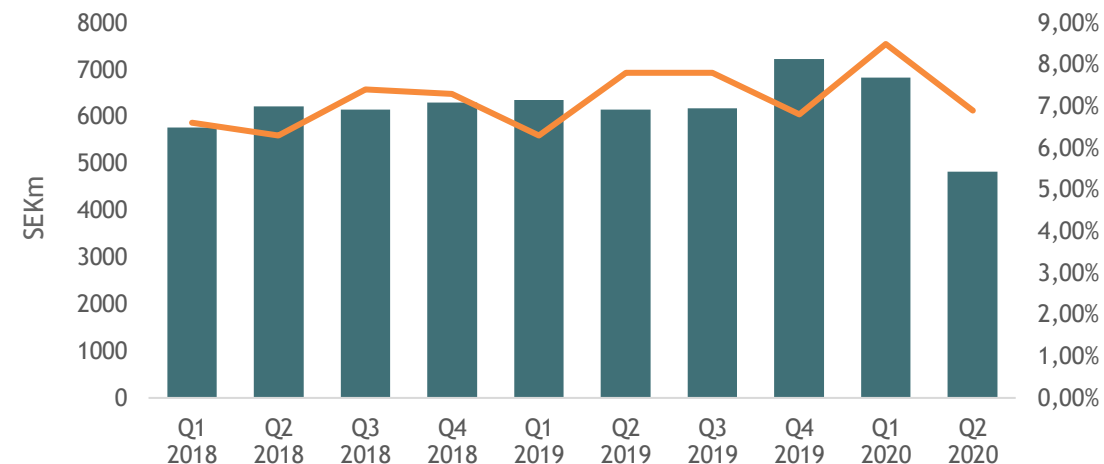
Mobile represented 77% of total sportsbook revenue



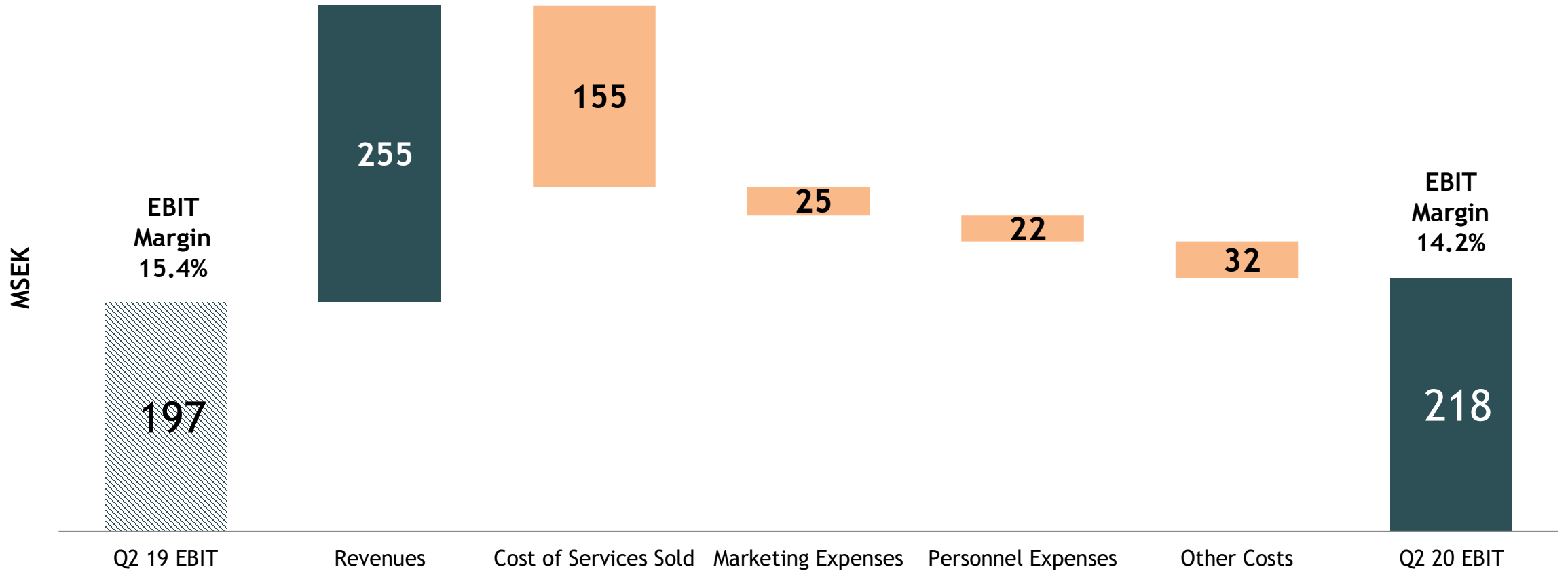
Sportsbook margin was 6.9% (7.8%)



63,000 sportsbook live events



EBIT DEVELOPMENT YOY



CASH FLOW & FINANCIAL POSITION

- Operating cash flow SEK 344 million
 - Mainly driven by operating income
- Investments
 - Driven by acquisition of GiG’s B2C operation & investments in Betsson’s proprietary technology
- Financing activities
 - Utilization of the RCF
- Net debt SEK 116 million (544)
 - Net debt/EBITDA 0.1 (0.4)
- Equity/assets ratio 63% (61%)

| SEK m | Q2 2020 | Q2 2019 | 6M 2020 |
|--|------------|-------------|------------|
| Operating cash flow | 344 | 391 | 666 |
| Cash flow from investing activities | -388 | -58 | -476 |
| Cash flow from financing activities | 160 | -463 | 157 |
| Cash flow for the period | 115 | -131 | 347 |
| Cash and cash equivalents, end of period | 980 | 492 | 492 |

Q3 2020 TRADING UPDATE

Q3 2020 TRADING UPDATE*



Average daily revenue until 16 July was
35% (23% organic) higher
than the average daily revenue of
the full third quarter 2019

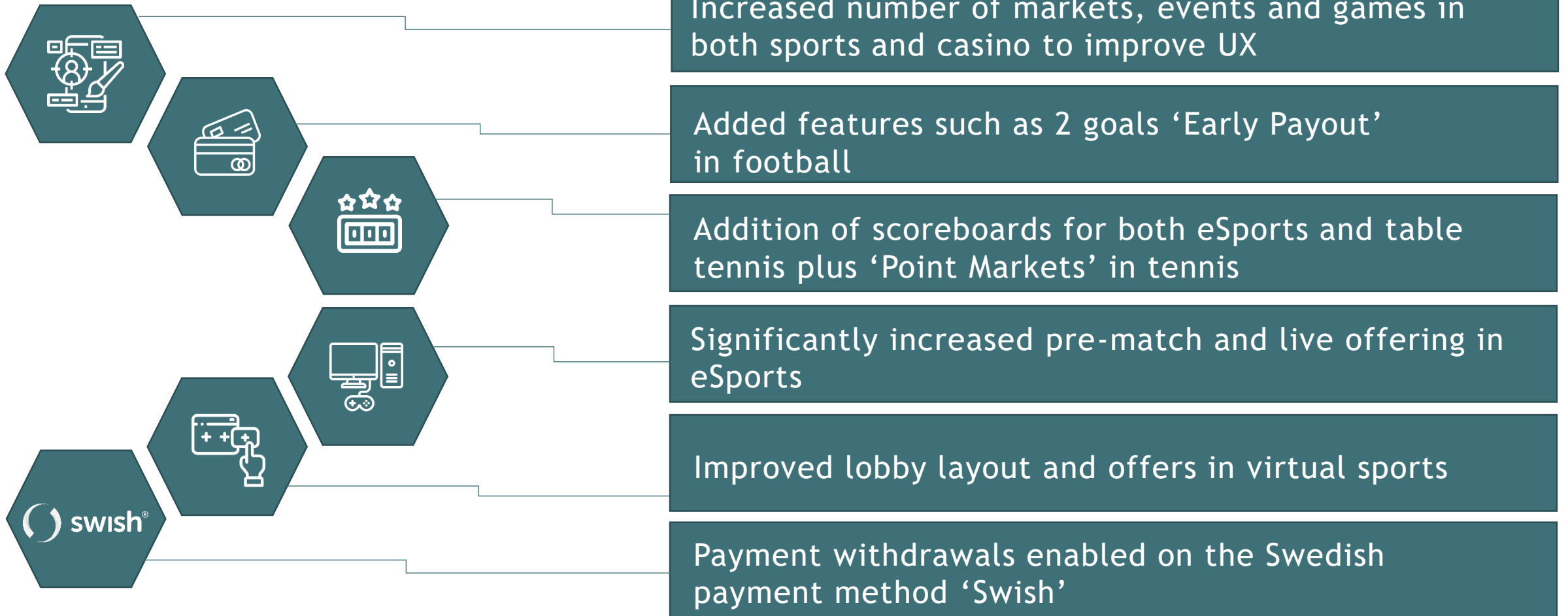
- All major business activities remain as normal
- Near-term trading hard to predict due to:
 - uncertainty on major sporting events' timetable
 - duration of the covid-19 impact

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

PRODUCT & TECHNOLOGY UPDATE

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PRODUCT DEVELOPMENT AND LAUNCHES IN Q2



REGULATION & SUSTAINABILITY

REGULATORY UPDATE

THE NETHERLANDS

Market opening postponed to July 2021, the 24 months' cooling-off period extended by six months

Parliament proposes that online operators will not be permitted to use their pre-established Dutch customer databases

SWEDEN

The Swedish government implemented temporary restrictions on online casino from 2 July

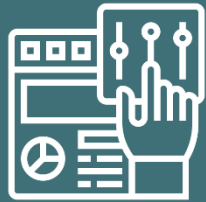
LATVIA

Emergency measures for covid-19, suspension of all gambling licences including online

Online gambling resumed as normal on 10 June



HEIGHTENED RESPONSIBLE GAMBLING VIGILANCE DURING COVID-19



Manual & automatic interactions

Q1: 26,300
Q2: 55,300 **x2.1**



Push real-time RG notifications

Q1: 18,000
Q2: 42,000 **x2.3**



1,500

customer interventions were carried out (up by 13% from Q1)



42.5%

of NDCs started with a deposit limit (was 42.7% in Q1)

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

GROWTH DRIVERS & SUMMARY

KEY ENABLERS FOR GROWTH



Proprietary
technology
and scale
secure the
future



Strong
financials to
deliver growth



Diversified
business
through multi-
brand portfolio
and
geographical
spread



Transition
from land-
based to
online gaming
drives industry
growth



Operational
excellence,
passionate and
talented
people

A close-up, low-angle shot of a soccer ball hitting a goal net. The ball is white with black pentagonal panels and is positioned in the center of the frame, slightly to the left. The net is made of white mesh and is stretched across the frame, creating a grid pattern. The background is a solid teal color.

SUMMARY

- All-time high revenues and a strong start to Q3
- Market entries into the US in Colorado, Kenya and Colombia
- Resilient and primed for both organic and acquisitive growth

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