

Betsson AB (publ) interim report January - September 2024

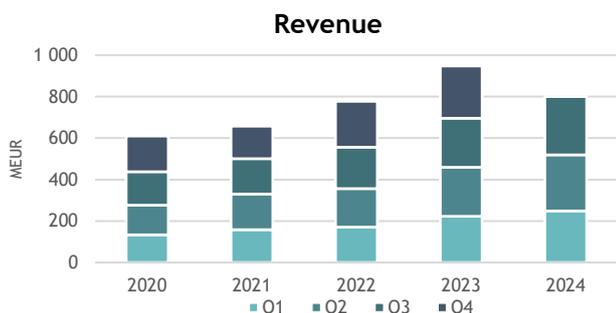
“Yet again new record levels in revenue and EBIT in the third quarter”

QUARTER JULY - SEPTEMBER 2024

- Group revenue was EUR 280.1 (237.6) million, an increase of 18%. Organic increase of 51%.
- Casino revenue increased by 22%. Sportsbook revenue increased by 8% and the sportsbook margin was 7.4% (7.3%).
- EBITDA was EUR 80.3 (68.9) million, an increase of 17%. The EBITDA margin was 28.7% (29.0%).
- Operating income (EBIT) was EUR 64.5 (56.0) million, an increase of 15%. The EBIT margin was 23.0% (23.6%).
- Net income was EUR 43.4 (46.2) million and earnings per share was EUR 0.31 (0.35).
- Operating cash flow was EUR 62.5 (44.9) million.
- Net debt was EUR -128.3 (-65.5) million.
- Active customers increased by 10% to 1.4 (1.2) million.

THE PERIOD JANUARY - SEPTEMBER 2024

- Group revenue was EUR 799.8 (696.3) million, an increase of 15%. Organic increase of 38%.
- EBITDA was EUR 229.5 (190.8) million, an increase of 20%. The EBITDA margin was 28.7% (27.4%).
- Operating income (EBIT) was EUR 186.5 (153.5) million, an increase of 21%. The EBIT margin was 23.3% (22.0%).
- Net income was EUR 130.6 (129.7) million and earnings per share was EUR 0.94 (0.99).
- Operating cash flow was EUR 188.3 (182.8) million.
- The AGM in May approved dividend to shareholders of EUR 88.5 (59.7) million, corresponding to EUR 0.645 (0.436) per share. The first of two installments was distributed to the shareholders in June.



KEY DATA

MEUR	Q3 2024	Q3 2023	Δ	Jan-Sep 2024	Jan-Sep 2023	Δ	Jan-Dec 2023
Revenue	280.1	237.6	18%	799.8	696.3	15%	948.2
Gross profit	178.7	156.6	14%	519.5	466.6	11%	631.8
EBITDA	80.3	68.9	17%	229.5	190.8	20%	262.7
EBITDA margin %	28.7	29.0	-	28.7	27.4	-	27.7
Operating income (EBIT)	64.5	56.0	15%	186.5	153.5	21%	210.5
EBIT margin %	23.0	23.6	-	23.3	22.0	-	22.2
Net income	43.4	46.2	-6%	130.6	129.7	1%	173.0
Earnings per share (EUR)	0.31	0.35	-10%	0.94	0.99	-5%	1.29
Operating cash flow	62.5	44.9	39%	188.3	182.8	3%	230.4
Casino revenue	209.9	172.1	22%	581.6	489.3	19%	672.0
Sportsbook gross turnover	1,553.4	1,308.8	19%	4,748.0	3,950.3	20%	5,625.3
Sportsbook revenue	68.3	63.3	8%	212.2	200.0	6%	267.0
Sportsbook margin after free bets %	7.4	7.3	-	7.5	7.9	-	7.4
Deposits	1,482.6	1,237.4	20%	4,287.5	3,626.2	18%	5,018.2
Active customers (number of)	1,357,953	1,237,238	10%				

CEO COMMENT

Yet again new record levels in revenue and EBIT in the third quarter



Pontus Lindwall, President and CEO Betsson AB, visiting Inter.

The high customer activity continued during the third quarter with new record levels in customer deposits and gaming turnover. Yet again Betsson reports quarterly records in revenue and EBIT, which means the eleventh quarter in a row with sequential growth on the EBIT level.

Group revenue increased by 18 percent and EBIT increased by 15 percent. Growth was broad based with sustained high activity in the regions Latin America, Western Europe and Central and Eastern Europe and Central Asia (CEECA). The share of revenue from locally regulated markets continues to increase and amounted to 58 (45) percent in the quarter.

The sportsbook margin was 7.4 (7.3) percent during the quarter, which is in line with the average margin over the past eight quarters. I note with pleasure Betsson's continued involvement in sports during the past quarter. In addition to the important sponsorship deal with Inter, it can be mentioned that the first jersey sponsorship agreement was signed in the Greek top league in football, with the club Crete FC. In addition, the sponsorship contract with the Greek basketball club AEK Betsson BC was extended. Betsson also sponsored the ATP Swedish Open tennis tournament in Båstad in July, which was a great crowd success as Rafael Nadal returned for the first time since his victory in 2005 and made it all the way to the final in what seems to have been his last ATP tournament ever.

In the area of product and technology, further development of our platform continued while a large number of new casino games were released during the quarter. New sports were launched in our betbuilder function within the sportsbook, as well as new features to strengthen cross-selling between sports betting and casino. A lot of preparatory work was done before this summer's major football tournaments, so I am particularly pleased to see the 100 percent uptime for the sportsbook during all the matches in both the Euros and Copa America. In August, an agreement was entered with the French gaming operator FDJ about the acquisition of Sporting Solution, which for many years has been an important supplier of trading, pricing, and sports betting risk-management services to Betsson's sportsbook. The acquisition will primarily contribute with faster and more flexible odds setting, stronger risk management and enhanced scalability for the sportsbook product for both B2C and B2B.

Our business continues to generate strong cashflows and the balance sheet is solid. In September, we refinanced the 2022/2025 bond with a new three-year senior unsecured bond of EUR 100 million at a floating rate of 325 basis points above EURIBOR, which is half the credit spread compared to the refinanced bond.

After several years of delay, Brazil will introduce a new gaming regulation in January 2025 and during the past quarter we submitted our application for a local license. The potential market in Brazil is large while competition is expected to be tough with many operators willing to invest large amounts in marketing. As always for Betsson, we will carefully evaluate and compare the likely returns on marketing in Brazil with other countries in order to find the right mix and allocation of investments between our markets. The focus on efficient capital allocation is and has always been an important part of our strategy to create shareholder value.

The fourth quarter is off to a positive start with 14 percent higher daily revenue than the average for the full fourth quarter last year. Hence there is reason to feel confidence about the last quarter of the year, which is usually also the seasonally strongest quarter for customer activity.

President and CEO Betsson AB

Founded in

1963



Betsson AB's share is listed on Nasdaq Stockholm Large Cap

Ticker: BETS B



The Betsson Group operates more than 20 brands

22

Holder of local licenses in 22 countries

SIGNIFICANT EVENTS AND OUTLOOK

SIGNIFICANT EVENTS DURING THE QUARTER

Financing

In September, Betsson AB issued senior unsecured bonds in a total amount of EUR 100 million under a framework of up to EUR 250 million. The bonds have a tenor of three years and a floating interest rate of EURIBOR three months plus 325 basis points. The proceeds from the issue of the bonds will be used towards general corporate purposes of the Group, including but not limited to acquisitions and refinancing of the 2022/2025 bonds. In connection with the bond issue, early redemption of the bonds in the 2022/2025 series was offered and for those who refrained from this, mandatory redemption was called for.

Sponsorship

On July 1, the Group announced that an operational subsidiary had entered into a four-year sponsorship agreement with the Italian football club Inter, which means that the team's jerseys will have the Betsson.sport logo on the front.

Licenses

In July, local licenses were obtained in Peru for the Inkabet brand.

Investments

During the quarter, the Group's ownership in Betsson France was increased from 49 percent to 67 percent.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

Dividend

The annual general meeting (AGM) decided in May on dividend to shareholders of EUR 88.5 (59.7) million, corresponding to EUR 0.645 (0.436) per share, by means of two redemption programs. The second redemption program was completed at the beginning of October, with payment to shareholders. The number of shares and votes were restored after the completion of the redemption program. As of 24 October 2024, the total number of shares in Betsson AB amounts to 142,729,838 and the total number of votes amounts to 278,035,838. These are divided into 15,034,000 class A shares equaling 150,340,000 votes, 123,448,405 class B shares carrying the same number of votes and 4,247,433 class C shares carrying the same number of votes.

Financing

The bonds in the 2022/2025 series that were not part of the voluntary early redemption in connection with the issue of the 2024/2027 bonds in September were redeemed by the Company in October.

TRADING UPDATE

This trading update is an indication of how the fourth quarter of 2024 has started, however it is not a revenue forecast for the quarter.

The average daily revenue in the fourth quarter of 2024 up until and including 20 October was 13.9 percent higher than the average daily revenue of the full fourth quarter of 2023. During this period, the sportsbook margin has been somewhat higher than the average margin for the last eight quarters.

Adjusted for currency effects and acquisitions, the average daily revenue until 20 October was 45.8 percent higher than the average daily revenue of the full fourth quarter of 2023.

As of 1 January 2024, the definition of organic growth has changed and now only includes adjustments for currencies with direct impact as well as adjustments for acquisitions.

THE GROUP'S OPERATING ACTIVITIES

Betsson's operational subsidiaries offer online casino, sports betting and other types of games. In the following sections, we comment on the development of the operational business as well as the financial developments of the Group.

STRATEGIC DIRECTION FOR GROWTH

Betsson's long-term ambition is to outgrow the market, which should be done in a profitable and sustainable manner with local adaptations. Betsson has identified the following growth areas: growth in existing markets, expansion into new markets and development of the B2B offering.

Betsson sees opportunities to grow in these areas, both organically through in-house development and through acquisitions. Betsson's financial position provides flexibility to supplement the existing business with new geographical markets, products, and brands.

Betsson's strong brand name, as well as its own technology and proprietary platforms, enable quick and flexible entry into new markets. With the proprietary sportsbook new offerings with economies of scale can be developed.

Operations in existing markets have continued to primarily focus on adapting and developing Betsson's offerings to changing player preferences, regulatory requirements and the competitive landscape.

PRODUCT AND TECHNOLOGY DEVELOPMENT

Betsson's gaming sites are to a large extent operated on the proprietary platform Techsson, a so-called Player Account Management System (PAM), which makes up the core of the offering and user experience. Techsson manages payments, customer information and account management as well as the games. The proprietary platform provides flexibility and enables rapid adaptation to new market conditions and as part of preparing for launches in new markets. Betsson also works continuously to meet authorities' rising demands for data and background information and has developed a tool to automate a large share of these deliverables.

Adaptations and further development of Betsson's tech platform and sportsbook are also being made to support a B2B offering.

Within the Betsson Group, artificial intelligence (AI) and machine learning have been important innovation factors supporting, for example, customer services and the proprietary responsible gambling tool and other predictive tools. Lately, steps have been taken to further enhance the way new customer experience-strengthening functions are integrated into the sportsbook using AI and machine learning.

The major football tournaments UEFA EURO and Copa America ended in July. The considerable efforts invested in ensuring the stability of the Group's websites and enhancing the customer offerings yielded positive results. Throughout the entire championship period, the uptime for the platform was 100% during the matches as well as two hours before and after the matches.

In August, the Group announced its acquisition of Sporting Solutions' trading, pricing, and sports betting risk-management services verticals from the FDJ Group. The acquisition enhances Betsson's B2C and B2B sportsbook offerings, building on a successful partnership with Sporting Solutions, spanning over the past 10 years.

Work on new apps for several markets continued during the quarter.

THIRD QUARTER DEVELOPMENTS

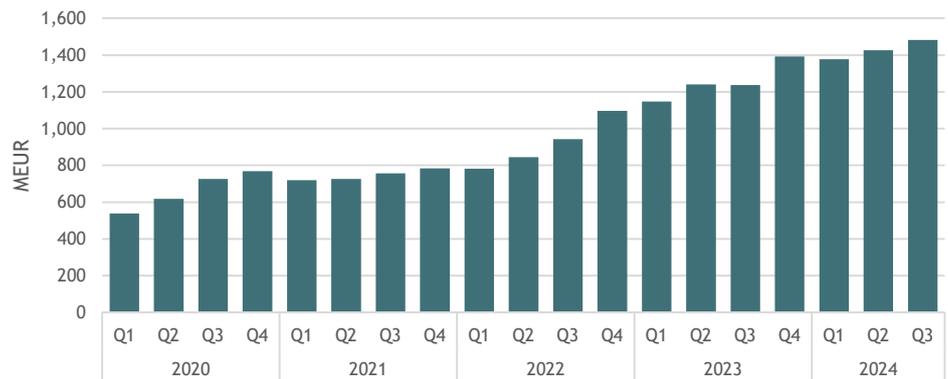
CUSTOMER ACTIVITY

Customer deposits in all operational subsidiaries' gaming solutions during the quarter were EUR 1,482.6 (1,237.4) million, an increase of 19.8% and represents a new all-time high for the Group.

By the end of the third quarter, the number of registered customers was 31.1 (29.4) million, an increase of 5.9%.

Active customers during the quarter amounted to 1,357,953 (1,237,238), an increase of 9.8%.

Customer deposits by quarter



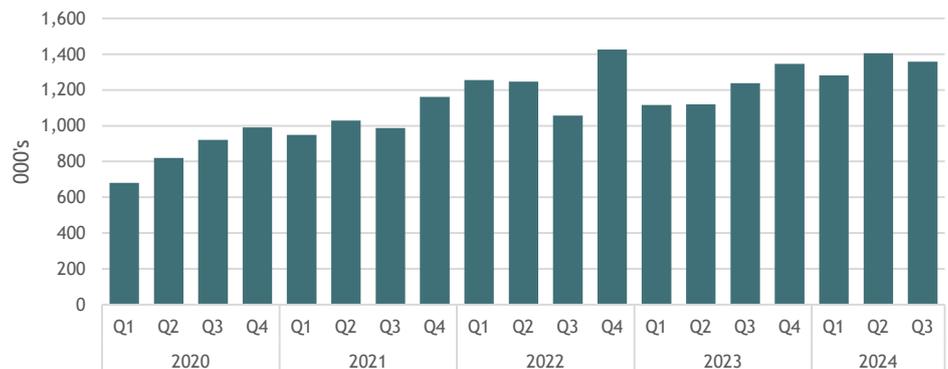
20%

Increase in customer deposits compared to the same period last year

10%

Increase in number of active customers compared to the same period last year

Active customers by quarter



MARKET DEVELOPMENT BY REGIONS

Betsson's long-term ambition is to outgrow the market, both organically and through acquisitions. This should be done in a profitable and sustainable manner with various local adaptations. Betsson operates in locally regulated markets with local licenses, as well as in Point of Supply (POS)-regulated markets based on a license from the Malta Gaming Authority (MGA). POS-regulation refers to markets in which a product offering is made available based on EU and/or international law principles, without being licensed locally in such markets. The regional split below serves as an indication of the end users' residence.

The reported revenue for each region includes both gaming revenue from the B2C business as well as license revenue for system delivery to Betsson's B2B customers.

Nordics

Revenue related to end users in the Nordics was EUR 45.3 (46.1) million, a decrease of 1.8%.

The region reported decreased revenue in the third quarter both compared to the corresponding period last year and with the previous quarter. The decline compared with last year is primarily driven by lower activity in the casino product.

Western Europe

Revenue related to end users in Western Europe was EUR 44.7 (39.2) million, an increase of 14.2%.

The business in Italy continues to develop well and reported all-time high revenue in the third quarter. The Italian operations report strong underlying growth with new records for active customers, deposits and turnover. The increase in revenue compared with the corresponding period last year is mainly driven by the casino product. The sportsbook product reported increased activity and increased revenue both compared with the corresponding period last year and the previous quarter.

Revenue in Belgium increased compared with the corresponding period last year, mainly driven by the casino product. At the end of January, a new online casino offering was launched in Belgium, based on a license for online casino (category A+).

During the quarter, the Group's ownership in the French joint venture company Betsson France was increased from 49 percent to 67 percent and is hence consolidated as of the third quarter in the current year. The French operations were launched in November last year with an online sports betting offering based on a local gaming license.

CEECA

Revenue related to end users in Central & Eastern Europe and Central Asia (CEECA) was EUR 116.3 (97.0) million, an increase of 20.0%.

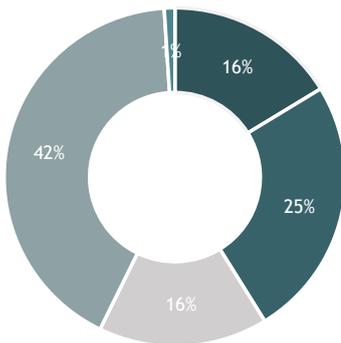
The region reported a new all-time high revenue in the third quarter. The growth was driven by an increased underlying activity in casino. Croatia and Greece reported all-time high revenue in the third quarter, mainly driven by the casino product. Estonia, Latvia and Lithuania reported growth compared with the corresponding period last year. Georgia reported decreased revenue compared to the corresponding period last year, driven by lower activity in the casino product and a lower sportsbook margin compared with the corresponding period last year.

Latin America

Revenue related to end users in Latin America was EUR 69.4 (51.7) million, an increase of 34.2%.

Latin America reported a new all-time high revenue in the third quarter. The growth is driven by the casino product. Argentina reported growth both compared to the

Revenue by region



- Nordics (16%)
- Latin America (25%)
- Western Europe (16%)
- CEECA (42%)
- ROW (1%)

corresponding period last year and the previous quarter mainly driven by the casino product. Peru reported increased revenue compared to the corresponding period last year driven by the casino product. Peru has recently introduced a local regulation for the online gaming market and in July an operational subsidiary obtained local license in Peru for the Inkabet brand, in addition to the licenses obtained in June for the brands Betsson and Betsafe. Colombia reported growth both compared with the corresponding period last year and the previous quarter.

ROW, Rest of the world

Revenue from the rest of the world (RoW) was EUR 4.4 (3.6) million, an increase of 22.9%.

The region reported increased revenue in the third quarter compared to the corresponding period last year, mainly driven by increased activity in the casino product.

MARKET DEVELOPMENT BY PRODUCT

Casino

Betsson's casino product includes a wide range of suppliers and diverse content, customised for a growing global portfolio of markets and brands. The aim is to provide relevant content for each individual region by using off-the-shelf games, as well as the Group's exclusive titles.

During the quarter, Betsson's offering expanded with 359 new casino games, 27 of which came with a period of exclusivity for the Group's brands.

Betsson has strong, regionally customized offerings in live casino on the market and continuously invests in improvements of the customer experience to strengthen the market position in this segment.

Casino gross turnover in all of Betsson's gaming solutions was EUR 9,423.9 (8,289.8) million, an increase of 13.7% compared to the third quarter last year and a new all-time high for the Group.

Casino revenue amounted to EUR 209.9 (172.1) million, an increase of 22.0% and represents a new all-time high for the Group. Casino represented 75% (72%) of Group revenue.

Sportsbook

Sportsbook gross turnover across all Betsson's gaming solutions, was EUR 1,553.4 (1,308.8) million and corresponds to an increase of 18.7% compared to the third quarter of last year.

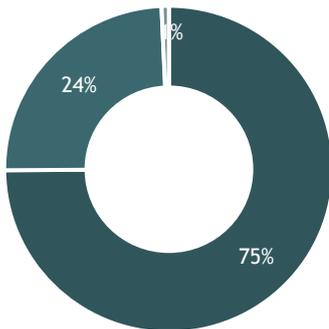
Sportsbook revenue in the third quarter was EUR 68.3 (63.3) million, an increase of 7.8%. Sportsbook represented 24% (27%) of Group revenue.

The sportsbook margin was 7.4% (7.3%). The eight-quarter rolling average margin was 7.4%.

Other products

Revenue from other products (poker, bingo and other) amounted to EUR 2.0 (2.1) million, representing 1% (1%) of total revenue.

Revenue by product



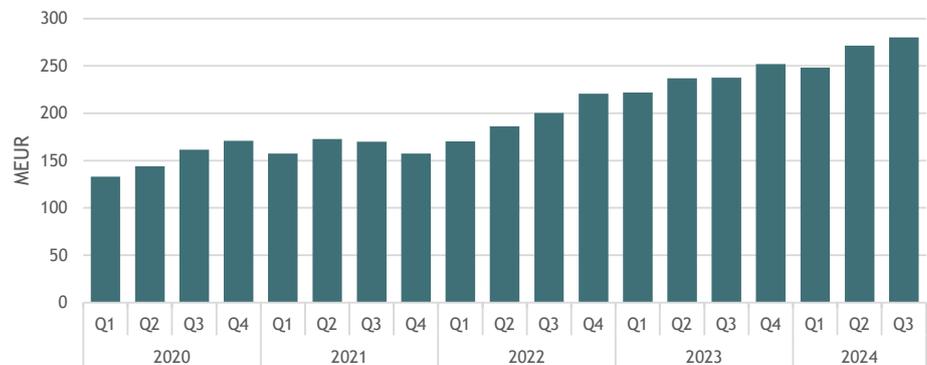
- Casino (75%)
- Sportsbook (24%)
- Other (1%)

FINANCIAL DEVELOPMENT

Group revenue

Group revenue was EUR 280.1 (237.6) million, an increase of 17.9%. In constant currencies and adjusted for acquisitions (organic), revenue growth was 50.6%. As of 1 January 2024, the definition of organic growth has changed and now only includes adjustments for currencies with direct impact as well as adjustments for acquisitions.

Revenue by quarter



Revenue from locally regulated markets increased by 54% and was EUR 163.0 (106.0) million, corresponding to 58.2% (44.6%) of total Group revenue.

License revenue for system delivery to B2B-customers amounted to EUR 66.7 (55.9) million and corresponded to 24% (24%) of Group revenue. Betsson added new customers and further sportsbook trading capabilities through the acquisition of KickerTech in 2022. Continuous improvements and investments into the sportsbook and casino products have strengthened the Group's B2B-offering.

Expenses

Cost of services provided was EUR 101.4 (81.0) million in the quarter. The increased cost of services is mainly due to higher gaming tax and increased cost for affiliate- and partner commission costs. The increased gaming taxes is driven by an increased share of locally regulated revenue.

Gross profit was EUR 178.7 (156.6) million, corresponding to a gross profit margin of 63.8% (65.9%).

Operating expenses were EUR 114.2 (100.6) million.

Marketing expenses (excluding affiliate- and partner commissions) were EUR 32.4 (27.0) million and corresponded to 15% (15%) of B2C revenue.

Personnel expenses were EUR 38.7 (34.8) million. The average number of full-time employees in the Group during the third quarter was 2,354 (2,149) of which 1,288 (1,239) were based in Malta. The increase in personnel expenses comes from yearly salary revisions, performance-related compensation, geographic expansion and increased investments in product and technology development.

The Group had 260 (247) full-time consultants engaged by the end of the quarter, mainly within product development. This cost is recognised under other external expenses.

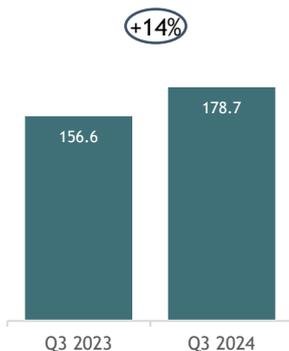
Other external expenses, which primarily include sportsbook-related costs, consultants and software licenses, were EUR 33.4 (30.0) million. The increased costs are driven by sustained increased investments in technology and product development.

Capitalised development costs were EUR 7.7 (7.2) million. Amortisation of capitalised development costs was EUR 6.9 (6.4) million.

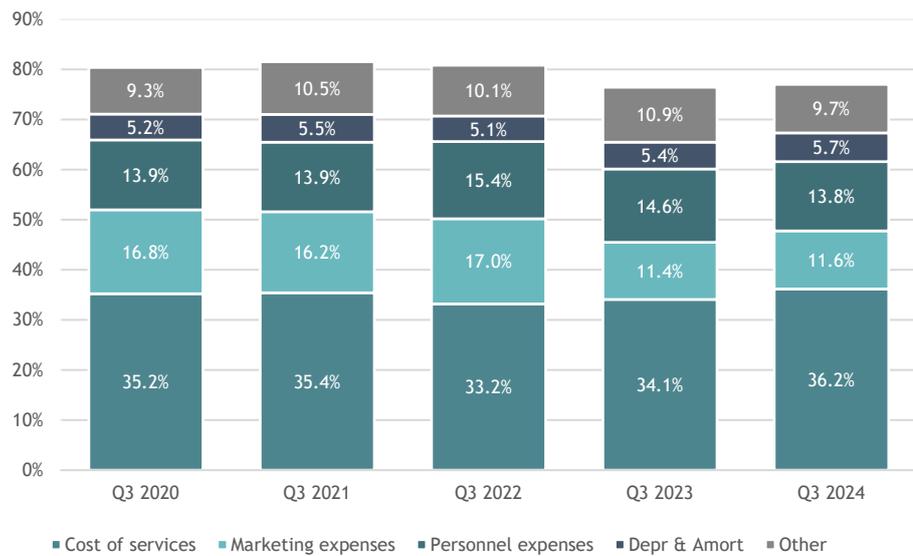
Total amortisation and depreciation for the quarter was EUR 15.8 (12.9) million. The increase is mainly driven by one-time items of which EUR 0.9 million is attributable to the acquisition of betFIRST.

Other operating income/-expenses were EUR -1.5 (-3.2) million. These costs mainly stem from foreign currency effects, mainly unrealised.

Gross Profit (MEUR)



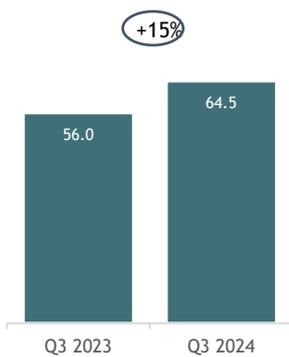
Expenses as a percentage of total revenue



Operating income and net income

Operating income (EBIT) increased by 15.2% to EUR 64.5 (56.0) million. The EBIT margin was 23.0% (23.6%). Organically, EBIT increased by 56.7% to EUR 87.8 million.

EBIT (MEUR)



Operating income (EBIT) by quarter



Net financial items were EUR -7.9 (-5.2) million. The cost increase is mainly due to the early redemption of outstanding bonds and increased interest expenses related to a higher bond volume compared to the corresponding period last year.

Net income was EUR 43.4 (46.2) million and earnings per share was EUR 0.31 (0.35).

The reported corporate tax for the third quarter was EUR -13.2 (-4.6) million, corresponding to 23.2% (9.1%) of profit before taxes. The increased tax cost in the third quarter follows an increased tax base in Argentina and Georgia and the implementation of Pillar 2 (described more in detail below).

Legislation regarding Pillar 2 is effective from January 1, 2024, in Sweden, where Betsson AB is headquartered. According to the legislation, the Group is obligated to pay a supplementary tax for the difference between the effective tax rate calculated according to the rules of Global Anti-Base Erosion (GloBE-rules) and the minimum tax rate of 15%. Historically, the Group has had a significant portion of its income from low-tax markets, such as Malta. In recent years, the Group has expanded its operations and added local companies in more highly taxed jurisdictions, such as Belgium. This, in combination with the supplementary tax of Pillar 2, results in a substantially higher total corporate tax for the Group starting from January 2024.

Earnings for the period

Operating income (EBIT) for the first nine months 2024 amounted to EUR 186.5 (153.5) million. Net income amounted to EUR 130.6 (129.7) million and earnings per share was EUR 0.94 (0.99).

Financial position

Cash and cash equivalents amounted to EUR 337.5 (240.5) million at the end of the period. Customer balances and reserves for accumulated jackpots, were EUR 49.8 (54.1) million. Gaming regulations require the Group to reserve a certain share of cash to cover customer balances and accumulated jackpots. Current receivables related to payment service providers for unsettled customer deposits were EUR 54.7 (54.7) million. The Group's net financial debt amounted to EUR -128.3 (-65.5) million at the end of the period.

Cash flow

Cash flow from operating activities during the third quarter was EUR 62.5 (44.9) million including a negative impact of EUR -10.1 (-16.7) million from an increase in working capital. The negative effect on working capital is mainly driven by increased customer withdrawals compared with the previous quarter that had increased balances related to Euros and Copa América. Cash flow from investing activities was EUR -23.1 (-119.2) million and consists mainly of investments in own development, a deferred paid purchase price and an increased ownership in Betsson France. The comparative period includes the acquisition of betFIRST. Cash flow from financing activities was EUR 35.0 (71.2) million, mainly driven by issuance of new bonds amounting to EUR 100.0 million, partly offset by a repayment of bonds in the series 2022/2025 in the quarter amounting to EUR -59.6 million.

External financing

During the third quarter, Betsson issued new senior unsecured bonds of EUR 100 million under a framework of EUR 250 million. The bonds have a tenor of three years and a floating interest rate of EURIBOR three months plus 325 basis points and will mature in September 2027. The external financing at the end of the period constituted of bonds amounting to EUR 215.1 million, of which EUR 42.3 million (bonds in series 2022/2025) is to be repaid in October 2024. The rest of the outstanding bonds have a tenor of three years and a floating interest rate of 3 months EURIBOR plus 460 basis points for the bonds in series 2023/2026 and 3 months EURIBOR plus 325 basis points for the bonds in series 2024/2027.

External financing	Amount	Coupon rate	Maturity date
Bond 2022/2025 (MEUR)	42.3	EURIBOR 3M + 6.5%	Oct, 2024
Bond 2023/2026 (MEUR)	74.2	EURIBOR 3M + 4.6%	Sep, 2026
Bond 2024/2027 (MEUR)	98.6	EURIBOR 3M + 3.25%	Sep, 2027

Equity

Equity in the Group was EUR 800.3 (757.4) million at the end of the period, corresponding to EUR 5.91 (5.60) per share.

RISKS

The risk areas that Betsson has identified as most significant and which can significantly affect the Group's operations, earnings, and position, are strategic risks, operational risks, compliance risks and financial risks. These risk areas are described in more detail in the latest annual report.

REGULATORY UPDATE

Betsson has gaming licenses in 22 countries, operates in additional markets, and is thus affected by gaming laws that broadly differ between different jurisdictions. For an overall description of the gaming legislation in the jurisdictions where the Group operates, please refer to the latest annual report. Below is a summary of the latest implemented or planned changes in gaming legislation in markets relevant to the Group.

Nordics

In Finland, the Ministry of the Interior requested comments on the new Gambling Act draft, with a submission deadline of 18 August 2024. The government's goal is to complete the proposal so the bill can be sent to the EU Commission for notification by the beginning of November 2024 at the latest. This schedule means that the bill can be submitted to the parliament in February/March 2025.

In Norway, the Norwegian Gambling Authority issued guidance in September on its site about the procedure for the future blocking of unlicensed gambling sites (DNS blocking). The gambling authority plans to audit and send information about DNS blocking to companies that, according to the authority's view, offer gambling illegally in the Norwegian market in the autumn of 2024. If the companies do not withdraw from the market, the authority will send a notice and later an order to the internet service providers to block the relevant gaming sites. In spring 2025, the authority expects the first websites to be blocked and to publish the list of all blocked websites.

Western Europe

In Italy, the licensing tender is expected to be published by the regulator by the end of 2024 or early 2025 at the latest. Given that all online licenses in the market are due to expire in December 2024 and that the tender process will take several months to be completed, it is expected that all existing licenses will be extended for the entire duration of the tender process, most likely at least until Q3 2025.

Central and Eastern Europe and Central Asia (CEECA)

In Croatia, the government in July submitted a proposal to amend the law on games of chance to the country's parliament, focusing on implementing new responsible gambling measures and restricting gambling advertising. The responsible gambling measures involve player identification in land-based branches, standardizing procedures for excluding players, establishing a register of excluded players, and implementing measures to revoke the right to organize games of chance for non-compliance. Additionally, the proposal aims to limit gambling advertising by restricting it on the internet, in audiovisual and radio programs, banning it in print media and publicly visible surfaces, and reducing the external visibility of gaming areas.

Latin America

In Brasil, the Group's local subsidiary submitted an application for a local license in August. A new ordinance (1.475 SPA/MF) was also published, requesting gambling operators to inform the local regulator SPA about their gambling websites offered in Brazil so they could continue operating without a local license until December 31, 2024.

In Peru, the regulator announced that the 90-day grace period for conditional authorizations has been extended to expire on 14 November 2024 for all operators with conditional authorizations, which must be fully compliant with the new Peruvian regulation by this date. In September, the Peruvian government also published Legislative Decree No. 1644, amending the country's 2022 online gambling law and separate legislation governing a selective consumption tax applied to certain products. The initial 2022 law stated that online gambling would be subject to the consumption tax but did not specify at what rate or how the tax may be collected. Under the new legislative decree, the consumption tax

will be applied at a rate of 1 per cent of gaming turnover (though the final tax basis has not been fully confirmed). The decree also specifies that it will apply only to the players of licensed online gambling platforms that are legally incorporated outside of Peru. Local lawyers view the tax as unconstitutional and discriminatory.

In Colombia, the Ministry of Finance proposed a new tax reform in September 2024 that seeks to raise an extra 12 trillion pesos (approximately US\$2.85 billion) by 2025. Key changes relevant to the gaming industry include increasing the withholding tax rate for occasional winnings from 20% to 25% and introducing VAT on gaming operations. The local gambling regulator Coljuegos is facing a legal challenge over its regulation restricting advertising spending by operators based on their annual reported revenues. At the end of July 2024, an individual filed a lawsuit against the regulation, seeking provisional suspension of it.

Rest of world

In the US, Betsson U.S. Corp. notified the regulator in Colorado of its intention to surrender its Internet Sports Betting Operator license and cease its B2C operations in the market on 30 September 2024. The company is currently dealing with paying out any existing account balance to players. The B2B license will however remain unaffected by these changes.

In the spring of 2024, the Isle of Man Gambling Supervision Commission (“GSC”) issued an inspection report, which set out several AML observations regarding the operations of a Group subsidiary, BMO Manx Ltd (“BMO”). This Group subsidiary held an online gambling license issued by the GSC from November 2021 until it surrendered it in August 2023. BMO were made aware that it had been referred to its Enforcement Division in May 2024 and are in discussions with the GSC for a potential regulatory settlement in regard to certain issues identified in the inspection report. Any settlement successfully concluded would prevent any enforcement investigation, further action or proceedings being taken against BMO. As BMO has surrendered its licence, a possible sanction could include imposing a discretionary civil penalty. The GSC Guidance confirms that, subject to various factors, the maximum penalty that the GSC will impose is GBP 1,000,000 or another sum, which shall not exceed twice the amount of the benefit derived from the contravention, where the benefit derived can be quantified. The Group believes that any such benefit cannot be reasonably quantified in this case. Discussions with the GSC were still ongoing at the date of the publication of the interim report.

SUSTAINABILITY

Sustainability is an integrated part of Betsson's business strategy and a prerequisite for generating shareholder value and at the same time taking long-term responsibility for customers, employees, and the communities in which the Group operates.

Betsson holds an AAA rating by Morgan Stanley Capital International (MSCI) ESG Ratings, which is the highest possible rating. The Group is a participant of the UN Global Compact and a Nasdaq ESG transparency partner. To further support the link between the sustainability perspective and the financial control in the Group, Betsson has included an ESG goal in the Group's long-term incentive plan. The goal is to have at least an AA ESG rating from MSCI. For more details about the ESG rating from MSCI, see the 2023 annual and sustainability report, which is available on the Company's website <https://www.betssonab.com/en/sustainability>

Betsson's sustainability framework establishes five focus areas: responsible gaming, business compliance, employee impact, social impact and climate impact.

Responsible gaming

Betsson's ambition is to be a role model in the industry and to create conditions for players to have a healthy relationship to gaming. Betsson works to support customers in controlling their gaming and to identify and help customers at risk of problem gaming. Betsson offers its customers a wide range of tools for responsible gaming, and access to well-trained and professional customer service staff 24 hours a day, seven days a week. Betsson's customer service is continuously evaluated by independent assessors on the quality of management. In this context, Betsson has received a number of awards for its efforts in the field.

Major tournaments, such as the UEFA EURO and Copa America that finished in the beginning of the third quarter, do not typically attract customers with a risky betting behaviour. There was a general increase in betting activity and number of active customers in Q3, but Betsson's responsible gaming team saw no increase in risky gaming. The team focused on continuous monitoring and on ensuring that all customers remained well informed about the potential risks and about the selection of available responsible gaming tools.

During the quarter, Betsson's Global Gambling Guidance Group (G4) accreditation was renewed for the 20th year in a row (since 2005). The G4 aims to minimise the impact of problem gambling by promoting a worldwide accreditation and certification programme, which is considered as the international benchmark for responsible gambling. The renewal means that Betsson's core websites globally, as well as processes and personnel, remain certified by G4 and as such follow their standards for responsible gaming.

During the quarter, Betsson's Head of Responsible Gaming participated in a conference organized by EASG (European Association for the Study of Gambling) on responsible gaming research and practices, intended for policy makers, regulators, academia and select operators.

During the third quarter, 90.7 (91.4) percent of active customers had some kind of tools for responsible gaming activated. This measurement includes any of the available tools such as reality checks, self-assessment tests, deposit and time limits etc. During the quarter, 41.3 (37.2) percent of active customers used some form of control tools, such as deposit limits, time out and/or self-exclusion. In the quarter, 37.1 (30.7) percent of active customers used deposit limits. These numbers vary between markets and depend on the geographic customer mix during the quarter since the usage of control tools can be different between markets depending on local regulations and customer preferences.

Betsson uses a number of automated systems and manual controls to monitor customers, among other through the Company's proprietary responsible gaming prediction tool. If a customer exhibits a potentially risky behaviour according to certain established parameters, an individual assessment is made, based on the customer's profile and gaming activity. 17,694 (16,968) customers were manually analysed and checked during the quarter. Betsson then uses a wide spectrum of follow-up actions, for example by providing the player with more information about safer gaming or asking the customer for feedback to a set of questions, to encouraging the customer to set deposit limits or to take a timeout. Betsson can also exclude customers from continued gaming. During the quarter, 1.3 (1.5) percent of customers self-excluded for a period less than six months. 2.8 (2.5) percent of customers self-excluded for a period longer than six months.

To increase transparency and raise awareness about how proactive contacts can change player behaviour, Betsson reports KPIs for risky gaming for the Swedish market. These KPIs are published twice a year on the Company's website in Swedish at: <https://www.betssonab.com/sv/hallbarhet/ansvarsfullt-spelande>

Ethics and business compliance

Betsson holds gaming licenses in many different jurisdictions with significantly varied laws and regulations. To ensure long-term sustainable operations and profitability, compliance with laws, regulations and ethical standards in these jurisdictions is crucial. Betsson's way of conducting business should support a strong corporate reputation in the industry.

Betsson publishes summaries of key policies on the Betsson AB website: <https://www.betssonab.com/governance/corporate-policies>

As previously reported, Betsson has decided to implement a Contract Lifecycle Management system (CLM) to streamline the Group's internal processes when it comes to the onboarding and management of suppliers. The new system, which runs on a third-party platform, has now been officially rolled out to the entire organization.

90.7%

Share of active customers with activated tools for responsible gaming

17 694

Customers analysed for potentially risky gaming

In July, Betsson obtained licenses for the locally regulated Peruvian market, as per the new regulation which entered into force at the beginning of the year. Licenses have been granted to operate the brands Betsson, Betsafe and Inkabet.

In August, Betsson submitted a license application in Brazil in order to obtain the necessary local permit to operate its brand Betsson under the new regulatory framework that will enter into force in January 2025.

Employee Impact

Betsson's ambition is to be the employer of choice - the first choice for current as well as potential new employees. Betsson believes that excellent leadership is key to running a successful business, and to support this, has a leadership framework and global training in place.

The Group aims to be the best place to work in the gaming industry and is therefore pleased to see that the average tenure is constantly increasing, which is positive for the stability of the Company.

During the quarter, Betsson was awarded Silver for Employer of the Year at the SBC Awards in Lisbon.

Social Impact

Betsson strives to have a positive impact on society. The Group's social impact framework has three focus areas: sports, diversity, and environment, but Betsson also adapts to world events, for example by providing support for humanitarian aid for Ukraine. A project to provide the funds necessary for the refurbishing of a shelter for refugees within Ukraine will be initiated during the second half of 2024.

Some other examples of corporate community engagement during the quarter are supporting the President Kaljulaid Foundation initiative 'Employers Against Domestic Abuse' in Estonia and providing the funds to hire a ranger to help protect the environment in the Majjistral Nature and History Park in Malta. Read more about Betsson's social impact activities at: www.onebetsson.com/csr

Climate Impact

Betsson operates in an industry with relatively low CO2 emissions, but nevertheless has a responsibility to help counteract climate change. As Betsson's business is mainly conducted online, a large part of the climate impact comes from electricity use in customers' gaming units and from Betsson's business travel.

Betsson has set science-based targets (SBT) of reducing greenhouse gases by at least 55 percent for Scope 1 and 2 and by at least 15 percent for Scope 3 by 2030. The targets will be reviewed in 2025.

Betsson has established a climate roadmap which identifies the main emission sources and how these shall be reduced. One example is servers, where Betsson's cloud strategy, in addition to performance, data privacy and information security, takes into account sustainability, which includes scope 2 emissions.

Betsson's operations have been climate neutral for several years. This means that Betsson offsets its emissions, including estimated emissions by customers' gaming units when playing on Betsson brands, by purchasing reduction units in verified projects.

110%

Betsson compensates for all emissions and adds an additional 10% to be climate positive

OTHER INFORMATION

EMPLOYEES

At the end of the quarter, the Group employed 2,449 (2,158) employees representing around 70 different nationalities. In addition, 260 (247) full-time consultants were engaged, mainly within product development.

Betsson's corporate values - *One Betsson, Passion and Fair Play* - set the tone for how employees should treat each other, customers, suppliers and other stakeholders, and for how employees should approach their work and assignments. Betsson's ambition is to be the best workplace in the industry. Diversity and equal opportunities are key elements and are included as a natural part of an innovative corporate culture. Skilled and engaged employees are a prerequisite to achieve the vision of providing the best customer experiences.

The Group has, over time, retained people in leading positions, enabling consistent delivery according to its long-term strategy. To further inspire and support employees, leadership programs, career development and other initiatives are offered and promoted to them.

OWNERSHIP STRUCTURE AND SHARES OUTSTANDING

The Company's Series B shares are listed on Nasdaq Stockholm Large Cap list (BETS B). At the end of the period, the Company had 29,885 (26,521) shareholders.

In September a share split (2:1) took place, which constitutes a step in the implementation of the second of the two automatic redemption procedures of shares that were resolved by the Annual General Meeting on 7 May 2024.

As of 30 September 2024, the total number of shares amounted to 280,015,810 and the total number of votes amounted to 550,604,135. These were divided into 30,068,000 class A shares equaling 300,680,000 votes, 246,896,810 class B shares carrying 245,700,377 votes (not 1:1 ratio due to timing effect of the share redemption program in relation to the expiration of the incentive program 2021-2024: Call options and employee stock options) and 4,247,433 class C shares carrying the same number of votes. Betsson's treasury shares amounted to 4,247,433 C shares and 823,336 B-shares at the end of the period. Half of all outstanding shares after the split are redemption shares. The number of shares and votes will be restored in October 2024 after the completion of the redemption procedure.

PARENT COMPANY

The Parent Company Betsson AB's (publ) business consists of investing in and administering shareholdings in companies, which, through partners or by themselves, offer games and sports betting to end users online. The Company provides and sells internal services related to financing, communication, accounting, and administration to certain Group companies.

Revenue in the Parent Company for the quarter was EUR 0.8 (0.7) million, and net income was EUR -8.7 (-4.9) million.

Cash and cash equivalents in the Parent Company amounted to EUR 117.9 (89.4) million.

ANNUAL GENERAL MEETING 2025

Betsson AB's Annual General Meeting (AGM) 2025 will be held on Thursday, 8 May 2025, in Stockholm. For more information, please visit <https://www.betssonab.com/en/general-meetings>

NOMINATION COMMITTEE

The Nomination Committee of Betsson AB currently consists of the following members:

- Jenny Rosberg, appointed by Hamberg Förvaltning AB
- Mats Axell, appointed by Knutsson Holdings AB
- Ingela Kling, appointed by the Kling family

Stockholm, 24 October 2024

Pontus Lindwall
President and CEO

AUDITOR'S REPORT

Betsson AB (publ) reg. no. 556090-4251

INTRODUCTION

We have reviewed the condensed interim financial information (interim report) of Betsson AB (Publ) as of 30 September 2024 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 24 October 2024
Öhrlings PricewaterhouseCoopers AB

Aleksander Lyckow
Authorized Public Accountant

CONSOLIDATED INCOME STATEMENT

MEUR	Q3 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Revenue	280.1	237.6	799.8	696.3	948.2
Cost of services provided	-101.4	-81.0	-280.3	-229.7	-316.4
Gross profit	178.7	156.6	519.5	466.6	631.8
Marketing expenses	-32.4	-27.0	-96.5	-94.7	-127.2
Personnel expenses	-38.7	-34.8	-112.7	-101.3	-140.6
Other external expenses	-33.4	-30.0	-100.8	-92.6	-126.5
Capitalised development costs	7.7	7.2	23.0	21.8	29.0
Amortisation and depreciation	-15.8	-12.9	-43.0	-37.3	-52.2
Other operating income/expenses	-1.5	-3.2	-2.9	-8.8	-3.7
Operating expenses	-114.2	-100.6	-333.0	-313.1	-421.3
Operating income	64.5	56.0	186.5	153.5	210.5
Financial income and expenses	-7.9	-5.2	-18.2	-9.6	-15.7
Income before tax	56.6	50.8	168.3	143.9	194.8
Tax	-13.2	-4.6	-37.7	-14.1	-21.8
Net income	43.4	46.2	130.6	129.7	173.0
Net income attributable to:					
Equity holders of the Parent Company	42.9	47.7	129.7	135.5	177.3
Non-controlling interests	0.5	-1.5	0.9	-5.8	-4.2

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MEUR	Q3 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Net income	43.4	46.2	130.6	129.7	173.0
Other comprehensive income					
Revenue/expenses recognised directly in equity:					
Hedge of net investments in foreign currency	-1.5	0.0	-2.0	0.0	-10.2
Exchange differences in translating foreign operations	4.2	1.5	5.5	5.8	7.2
Other comprehensive income of the period	2.7	1.5	3.5	5.8	-3.0
Total comprehensive income for the period	46.0	47.7	134.1	135.5	170.0
Total comprehensive income attributable to:					
Equity holders of the Parent Company	44.8	49.2	133.6	141.3	174.2
Non-controlling interests	1.2	-1.5	0.5	-5.8	-4.2

CONSOLIDATED BALANCE SHEET

MEUR	2024-09-30	2023-09-30	2023-12-31
Assets			
Intangible fixed assets	717.4	718.2	717.2
Property, plant and equipment	8.1	10.4	9.9
Right-of-use assets	11.1	14.0	12.5
Financial assets	22.8	16.9	16.9
Deferred tax receivables	8.2	8.7	9.0
Total non-current assets	767.6	768.2	765.5
Current receivables	281.8	217.0	197.7
Cash and cash equivalents	337.5	240.5	237.1
Total current assets	619.3	457.5	434.6
Total assets	1,386.9	1,225.7	1,200.1
Equity and liabilities			
Equity	800.3	757.4	759.2
Deferred tax liabilities	9.0	4.2	12.2
Bond	215.1	172.9	173.1
Lease liabilities	2.0	6.7	1.4
Total non-current liabilities	226.2	183.8	186.7
Lease liabilities	8.1	6.4	9.7
Other current liabilities	352.4	278.1	244.5
Total current liabilities	360.4	284.5	254.2
Total equity and liabilities	1,386.9	1,225.7	1,200.1

CONSOLIDATED CASH FLOW STATEMENT

MEUR	Q3 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Profit/loss before tax	56.6	50.9	168.3	143.9	194.8
Adjustments for non-cash items	22.8	14.8	55.7	46.8	61.4
Taxes paid	-6.8	-4.1	-24.2	-15.9	-20.5
Cash flow from operating activities before changes in working capital	72.7	61.6	199.7	174.8	235.7
Changes in working capital	-10.1	-16.7	-11.4	8.0	-5.4
Cash flow from operating activities	62.5	44.9	188.3	182.8	230.4
Investments in intangibles/tangibles	-11.3	-9.9	-34.2	-31.5	-41.4
Acquisition of shares in subsidiaries	-11.1	-109.3	-27.7	-109.6	-109.6
Paid earnout	0.0	0.0	-1.3	-4.0	-8.0
Acquisition of shares in associates	-0.8	0.0	-5.6	0.0	0.0
Cash flow from investing activities	-23.1	-119.2	-68.8	-145.1	-159.0
Bond issue	98.6	73.9	98.6	73.9	73.8
Bond redemption	-59.6	0.0	-59.6	0.0	0.0
Lease payments	-1.9	-1.0	-4.8	-4.1	-6.2
Loan Associates	0.9	-2.5	-1.2	-6.3	-8.5
Share redemption programme	0.0	0.0	-46.0	-29.0	-59.7
Warrant premiums received	-1.6	0.9	-1.6	0.9	0.9
Dividend paid to non-controlling interests	-1.4	0.0	-2.9	0.0	0.0
Cash flow from financing activities	35.0	71.2	-17.4	35.3	0.3
Changes to cash and cash equivalents	74.5	-3.1	102.1	73.0	71.7
Cash and cash equivalents at beginning of period	263.9	244.1	237.1	168.3	168.3
Exchange differences	-0.8	-0.5	-1.7	-0.8	-2.9
Cash and cash equivalents at end of period	337.5	240.5	337.5	240.5	237.1

CHANGES IN GROUP EQUITY

MEUR	9/30/2024	9/30/2023	12/31/2023
Equity opening balance attributable to the Equity holders of the Parent Company	770.0	654.2	654.2
Total comprehensive income attributable to Equity holders of the parent company	133.6	141.3	174.2
Total change excluding owner transactions	133.6	141.3	174.2
Share redemption programme	-90.2	-29.0	-59.7
Warrant premium received	0.0	1.0	1.0
Share options - value of employee services	0.2	0.9	0.3
Equity at end of period attributable to the Equity holders of the Parent Company	813.5	768.4	770.0
Equity attributable to:			
Equity holders of the Parent Company	813.5	768.4	770.0
Non-controlling interests	-13.2	-11.0	-10.8
Total equity at end of period	800.3	757.4	759.2

PARENT COMPANY, INCOME STATEMENT

MEUR	Q3 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Revenue	0.8	0.7	2.4	2.1	2.7
Operating expenses	-4.0	-2.7	-9.1	-6.7	-11.7
Operating income	-3.1	-2.0	-6.6	-4.7	-9.0
Financial income and expenses	-5.6	-2.9	-13.8	-5.1	132.1
Income before tax	-8.7	-4.9	-20.4	-9.8	123.1
Income tax	-4.1	0.0	-13.1	0.0	0.0
Net income	-12.8	-4.9	-33.5	-9.8	123.1

PARENT COMPANY, BALANCE SHEET

MEUR	2024-09-30	2023-09-30	2023-12-31
Assets			
Property, plant and equipment	0.1	0.2	0.2
Financial assets	603.0	603.0	603.1
Total non-current assets	603.1	603.2	603.3
Current receivables	206.4	154.9	277.5
Cash and cash equivalents	117.9	89.4	70.0
Total current assets	324.2	244.3	347.5
Total Assets	927.3	847.5	950.8
Restricted equity	34.9	34.9	34.9
Unrestricted equity	614.1	635.0	737.9
Total equity	649.0	669.9	772.8
Bond	215.1	172.9	173.1
Total non-current liabilities	215.1	172.9	173.1
Other current liabilities	63.2	4.7	4.9
Total current liabilities	63.2	4.7	4.9
Total equity and liabilities	927.3	847.5	950.8

QUARTERLY DATA

CONSOLIDATED INCOME STATEMENT, IN SUMMARY

MEUR	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Revenue	280.1	271.5	248.2	251.9	237.6	236.8	221.9	220.6
Cost of services provided	-101.4	-94.7	-84.3	-86.7	-81.0	-74.3	-74.4	-75.8
Gross profit	178.7	176.8	164.0	165.2	156.6	162.5	147.5	144.8
Marketing expenses	-32.4	-33.0	-31.1	-32.4	-27.0	-31.9	-35.9	-37.0
Personnel expenses	-38.7	-38.3	-35.8	-39.3	-34.8	-33.3	-33.3	-32.4
Other external expenses	-33.4	-35.3	-32.1	-33.9	-30.0	-33.2	-29.4	-28.8
Capitalised development costs	7.7	7.4	8.0	7.2	7.2	7.2	7.3	6.1
Amortisation and depreciation	-15.8	-13.6	-13.6	-14.9	-12.9	-13.1	-11.3	-11.1
Other operating income/expenses	-1.5	0.1	-1.5	5.1	-3.2	-3.6	-2.1	-1.6
Operating expenses	-114.2	-112.7	-106.0	-108.2	-100.6	-108.0	-104.5	-104.8
Operating income	64.5	64.1	57.9	57.0	56.0	54.5	43.0	40.0
Financial items, net	-7.9	-6.9	-3.4	-6.1	-5.2	-2.4	-2.1	-4.2
Income before tax	56.6	57.1	54.5	50.9	50.8	52.1	40.9	35.8
Tax	-13.2	-12.7	-11.7	-7.6	-4.6	-5.2	-4.3	-3.1
Net income	43.4	44.4	42.8	43.3	46.2	46.9	36.6	32.7

CONSOLIDATED BALANCE SHEET, IN SUMMARY

MEUR	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Non-current assets	767.6	765.7	770.1	765.5	768.2	651.8	651.2	650.1
Current assets	619.3	547.3	508.0	434.6	457.5	428.5	422.0	368.6
Total assets	1,386.9	1,312.9	1,278.1	1,200.1	1,225.7	1,080.4	1,073.2	1,018.7
Equity	800.3	801.1	805.8	759.2	757.4	707.0	688.7	647.8
Provisions and non-current liabilities	226.2	189.7	185.8	186.7	183.8	111.2	111.2	112.1
Current liabilities	360.4	322.2	286.6	254.2	284.5	262.1	273.3	258.8
Total equity and liabilities	1,386.9	1,312.9	1,278.1	1,200.1	1,225.7	1,080.4	1,073.2	1,018.7

CONSOLIDATED CASH FLOW STATEMENT, IN SUMMARY

MEUR	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Operating cash flow	62.5	75.8	50.0	47.6	44.9	89.4	48.8	75.5
Cash flow from investing activities	-23.1	-14.1	-31.7	-13.9	-119.2	-15.4	-10.2	-17.9
Cash flow from financing activities	35.0	-36.4	-16.0	-35.1	71.2	-34.1	-1.9	-31.3
Total cash flow	74.5	25.3	2.3	-1.4	-3.1	39.9	36.7	26.3

KEY RATIOS

	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Key financial ratios								
Gross Margin (% of revenue)	63.8	65.1	66.1	65.6	65.9	68.6	66.5	65.6
EBITDA-margin (% of revenue)	28.7	28.6	28.8	28.6	29.0	28.5	24.5	23.2
EBIT-margin (% of revenue)	23.0	23.6	23.3	22.6	23.6	23.0	19.4	18.1
Profit margin (% of revenue)	20.2	21.0	17.2	20.2	21.4	22.0	18.4	16.2
Marketing expenses (% of revenue)	11.6	12.1	12.5	12.9	11.4	13.5	16.2	16.8
Basic earnings per share (EUR)	0.31	0.33	0.30	0.30	0.35	0.37	0.28	0.26
Diluted earnings per share (EUR)	0.31	0.33	0.30	0.30	0.35	0.37	0.28	0.26
Equity per share (EUR)	5.91	5.93	5.94	5.61	5.60	5.20	5.03	4.74
Executed dividend/redemption per share (EUR)	0.000	0.323	0.000	0.218	0.000	0.218	0.000	0.184
Equity/assets ratio (%)	58	61	63	63	62	65	64	64
Return on equity (% , 12 months)	22	23	23	22	24	23	20	18
Return on total capital (% , 12 months)	19	19	19	19	17	17	15	14
Return on capital employed (% , 12 months)	26	26	25	25	23	22	20	18
Net debt (MEUR)	-128	-93	-68	-60	-66	-139	-105	-66
Net debt / EBITDA (Multiple, 12 months)	-0.4	-0.3	-0.2	-0.3	-0.3	-0.6	-0.5	-0.4
Shares								
Average share price (SEK)	124.87	115.16	108.61	109.52	121.18	109.40	92.37	81.96
Share price at end of period (SEK)	123.54	123.90	105.90	108.50	120.20	114.80	98.60	84.77
Highest share price (SEK)	131.46	126.94	121.60	120.30	130.70	122.80	100.18	86.57
Lowest share price (SEK)	112.74	101.61	99.10	102.00	105.79	93.78	82.73	63.65
Number of shareholders at end of period	29,885	29,343	30,246	27,492	26,521	25,300	25,308	24,715
Number of shares outstanding at end of period	137.7	137.3	137.3	137.3	137.3	137.0	137.0	137.0
Total number of shares at end of period (million)	142.7	142.7	142.7	142.7	142.7	142.7	142.7	142.7
Personnel								
Average number of employees	2,354	2,217	2,191	2,192	2,149	2,098	1,967	2,043
Number of employees at end of period	2,449	2,251	2,210	2,189	2,158	2,119	2,112	2,023

CUSTOMERS

	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Registered customers (000's)	31,125	31,201	30,445	29,674	29,393	28,121	27,461	26,816
Active customers (000's)	1,358	1,404	1,281	1,345	1,237	1,120	1,116	1,425

CUSTOMER DEPOSITS

MEUR	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Customer deposits, all gaming solutions	1,482.6	1,426.5	1,378.4	1,392.0	1,237.4	1,240.6	1,148.2	1,096.0

CASINO DATA

	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Gross turnover, all gaming solutions Casino (MEUR)	9,423.9	8,967.8	8,811.0	9,163.0	8,289.8	8,354.4	7,739.7	7,090.8
Revenue (MEUR)	209.9	191.1	180.5	182.8	172.1	165.1	152.0	146.1

SPORTSBOOK DATA

	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Gross turnover, all gaming solutions (MEUR)	1,553.4	1,534.7	1,659.9	1,675.0	1,308.8	1,312.3	1,329.2	1,416.2
of which gross turnover live betting (MEUR)	994.6	964.7	1,086.8	1,072.0	887.2	921.9	920.7	893.1
Sportbook margin after free bets (%)	7.4	8.6	6.6	6.2	7.3	8.2	8.0	7.3
Revenue (MEUR)	68.3	78.4	65.5	67.0	63.3	69.5	67.2	70.7

REVENUE BY PRODUCT

	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Revenue (MEUR)								
Casino	209.9	191.1	180.5	182.8	172.1	165.1	152.0	146.1
Sportsbook	68.3	78.4	65.5	67.0	63.3	69.5	67.2	70.7
Other products	2.0	2.0	2.2	2.1	2.1	2.3	2.7	3.8
Total	280.1	271.5	248.2	251.9	237.6	236.8	221.9	220.6

	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Share of total revenue (%)								
Casino	75	70	73	72	72	70	69	66
Sportsbook	24	29	26	27	27	29	30	32
Other products	1	1	1	1	1	1	1	1

	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Growth, compared with previous quarter (%)								
Casino	10	6	-1	6	4	9	4	8
Sportsbook	-13	20	-2	6	-9	3	-5	14
Other products	0	-11	4	1	-6	-15	-30	25
Total	3	9	-1	6	0	7	1	10

	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Growth, compared with same period previous year (%)								
Casino	22	16	19	25	27	35	37	27
Sportsbook	8	13	-3	-5	2	13	19	76
Other products	-7	-13	-17	-44	-31	-9	-2	68
Total	18	15	12	14	19	27	30	40

REVENUE BY REGION

	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Casino (MEUR)								
Nordics	32.9	32.4	33.5	32.7	33.6	37.1	37.6	39.1
Latin America	46.1	36.3	26.0	31.1	28.3	22.5	18.6	17.6
Western Europe	35.1	33.6	33.0	32.6	30.0	25.7	25.5	24.4
Central & Eastern Europe and Central Asia	92.6	86.0	85.0	83.9	77.9	76.7	67.4	62.3
RoW	3.2	2.9	2.9	2.6	2.4	3.1	2.9	2.8
Total	209.9	191.1	180.5	182.8	172.1	165.1	152.0	146.1
	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Sportsbook (MEUR)								
Nordics	11.7	14.3	12.6	12.9	11.8	13.8	13.5	12.6
Latin America	23.1	26.1	17.5	21.9	23.1	28.6	26.3	34.3
Western Europe	9.5	10.0	10.3	9.0	9.1	1.2	1.5	1.2
Central & Eastern Europe and Central Asia	22.9	27.1	24.3	22.1	18.2	25.0	24.9	21.6
RoW	1.0	0.9	0.9	1.1	1.1	0.9	1.0	1.0
Total	68.3	78.4	65.5	67.0	63.3	69.5	67.2	70.7
	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Total, for all products, per region (MEUR)								
Nordics	45.3	47.3	46.9	46.4	46.1	51.7	51.9	53.1
Latin America	69.4	62.6	43.7	53.3	51.7	51.4	45.2	52.3
Western Europe	44.7	43.7	43.4	41.7	39.2	27.0	27.2	25.8
Central & Eastern Europe and Central Asia	116.3	114.0	110.2	106.8	97.0	102.6	93.5	85.3
RoW	4.4	3.9	3.9	3.7	3.6	4.2	4.2	4.0
Total	280.1	271.5	248.2	251.9	237.6	236.8	221.9	220.6
	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Share per region (%)								
Nordics	16	17	19	18	19	22	23	24
Latin America	25	23	18	21	22	22	21	24
Western Europe	16	16	17	17	16	11	12	12
Central & Eastern Europe and Central Asia	42	42	44	42	41	43	42	38
RoW	1	2	2	1	1	2	2	2
	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Growth, compared with previous quarter (%)								
Nordics	-4	1	1	1	-11	-0	-2	-1
Latin America	11	43	-18	3	1	14	-14	35
Western Europe	2	1	4	6	45	-1	5	3
Central & Eastern Europe and Central Asia	2	3	3	10	-5	10	10	8
RoW	11	-0	7	3	-15	1	4	6
	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Growth, compared with same period previous year (%)								
Nordics	-2	-9	-10	-13	-14	1	-4	2
Latin America	34	22	-3	2	33	13	23	102
Western Europe	14	62	60	62	57	9	22	26
Central & Eastern Europe and Central Asia	20	11	18	25	23	68	75	53
RoW	23	-7	-6	-9	-7	19	13	17

SPECIFICATION OF COST OF SERVICES PROVIDED

MEUR	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Licence fees	24.5	23.6	22.2	21.8	21.5	20.5	19.3	20.2
Betting duties	37.0	34.0	26.8	27.7	25.9	22.0	20.0	18.1
Affiliates and partners commission	12.9	11.8	11.2	10.0	9.4	7.4	7.9	7.7
Other cost of services provided	27.0	25.3	24.0	27.2	24.1	24.5	27.2	29.8
Total	101.4	94.7	84.3	86.7	81.0	74.3	74.4	75.8

SPECIFICATION OF AMORTISATION AND DEPRECIATION

MEUR	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Depreciation property, plant, and equipment	2.2	1.0	1.1	1.2	1.2	0.9	0.9	0.9
Depreciation right-of-use assets	1.4	1.6	1.4	1.5	1.5	1.5	1.5	1.6
Amortisation intangible fixed assets (whereof amortisation of capitalised development costs)	12.2	11.0	11.1	12.3	10.3	10.7	8.9	8.6
Total	15.8	13.6	13.6	14.9	12.9	13.1	11.3	11.1

ORGANIC CALCULATION (EFFECTS FROM ACQUISITIONS AND CURRENCY)

	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4
Reported revenues	280.1	271.5	248.2	251.9	237.6	236.8	221.9	220.6
- Revenue from acquisitions	-1.0	-13.0	-12.8	-11.4	-11.7	-1.2	-1.5	-1.6
- Currency effects	78.6	68.5	42.5	60.5	52.7	30.0	14.5	13.4
Organic revenues	357.7	327.0	277.9	301.0	278.6	265.6	234.9	232.4
Organic growth (YoY)	51%	38%	25%	36%	39%	43%	38%	48%
Reported growth (YoY)	18%	15%	12%	14%	19%	27%	30%	40%
Reported operating income (EBIT)	64.5	64.1	57.9	57.0	56.0	54.5	43.0	40.0
- Result from acquisitions	-0.4	0.2	0.0	1.0	-0.9	0.8	1.2	1.0
- Currency effects	23.6	14.6	8.3	59.0	32.9	14.7	13.6	14.4
Organic operating income	87.7	78.9	66.2	117.0	88.0	70.0	57.8	55.4
Organic growth (YoY)	57%	45%	54%	192%	129%	140%	145%	166%
Reported growth (YoY)	15%	18%	35%	42%	46%	87%	82%	92%

OTHER NOTES

CURRENCY EXCHANGE RATES

The exchange rates below have a direct effect on the figures in the report.

Income Statement (average rate during the period July - September)

	2024	2023	Δ
SEK/EUR	0.0877	0.0872	+0.5%
GEL/EUR	0.3397	0.3543	-4.1%
ARS/EUR	0.0010	0.0039	-73.6%
PEN/EUR	0.2452	0.2477	-1.0%

Balance Sheet (closing rate)

	2024-09-30	2023-09-30	Δ
SEK/EUR	0.0885	0.0870	+1.7%
GEL/EUR	0.3281	0.3518	-6.7%

TRANSACTIONS WITH RELATED PARTIES

No significant transactions took place between Betsson and related parties that affected Betsson's financial position and performance in the period. The extent and nature of transactions with related parties in the period are consistent with previous year's transactions with related parties, as described in the 2023 annual report.

ACCOUNTING POLICIES

Betsson complies with IFRS standards and interpretations (IFRIC) as adopted by the EU. This Report has been prepared in accordance with IAS 34, Interim Financial Reporting. The Parent Company's financial statements have been prepared in accordance with RFR 2.

The accounting policies applied are consistent with those presented in the Annual Report for 2023. Detailed information about the Group's accounting and valuation principles can be found in the Annual Report for 2023 (Note 2), which is available on www.betssonab.com or at the Company's head office.

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

This financial report refers to key figures that Betsson and others use in the evaluation of Betsson. These so-called Alternative Performance Measures (APMs) are not defined in IFRS. The measures provide management and investors with important information to analyze trends in the Company's and group's business operations. These APMs are intended to supplement, not replace, financial measures presented in accordance with IFRS.

Active customers: Number of customers who have played on any of Betsson's gaming sites in the past three months, without any deposit requirement.

All gaming solutions: In this term KPIs attributable to Betsson are consolidated with KPIs attributable to B2B associates.

Average equity: Equity in the beginning of the quarter plus equity at the end of the quarter, divided by two.

Average capital employed: Total assets less non-interest-bearing debts at beginning and end of quarter, divided by two.

Average number of employees: Number of employees expressed as full-time equivalent, FTE (full year's work).

Average number of shares outstanding: Weighted average number of shares outstanding during the period.

B2B: Business-to-Business

Betting duties: Includes consumption tax attributable to local licenses to operate gaming. Fixed fees for gaming licenses are not included.

Deposits: Customers' deposits to gaming accounts.

Dividend per share: Actual/proposed dividend. Includes share redemption programmes.

Earnings per share after dilution: Net income, attributable to owners of the Parent Company, divided by the weighted average number of shares outstanding adjusted for additional number of shares for options with dilutive effect.

Earnings per share: Net income attributable to owners of the Parent Company, in relation to the average number of shares outstanding.

EBITDA: Income before financial items, taxes, depreciation and amortisation.

EBITDA margin: EBITDA as a percentage of revenue.

Equity per share: Equity, attributable to owners of the Parent Company, in relation to the number of shares outstanding at the end of the period.

Equity/assets ratio: Equity at the end of the period as a percentage of the balance sheet total at the end of the period.

Gross profit: Revenue less commission to partners and affiliates, betting duties, licensing fees to games suppliers, payments to payment suppliers and so-called fraud (unapproved payments).

Mobile revenue: Revenue from customers using mobile devices.

NDC: New Depositing Customer

Net debt: Financial liabilities (bond, bank loans and leasing debts) plus customer balances less Cash and cash equivalents and 90% of receivables from payment providers.

Number of employees: Number of employees on last month's payroll.

Number of shareholders: Number of direct shareholders and shareholders listed through a nominee shareholder registered in the shareholder register kept by Euroclear Sweden AB.

Number of shares: The total number of A, B and C shares at the end of the period, excluding redemption shares.

Number of shares outstanding: Total number of shares (excluding treasury shares and redemption shares) at the end of the period.

Organic: Excluding effects from currency fluctuations, in relation to the comparable period, and contribution from acquired entities over the past 12 months

Operating income (EBIT): Income before financial items and taxes.

Operating margin (EBIT): Operating income as a percentage of revenue.

Operational expenses: Expenses for marketing, personnel, other external expenses, amortisation and depreciation, capitalised development costs and other operating income/expenses.

Profit margin: Income before taxes as a percentage of revenue.

Return on equity: Income after tax in relation to average equity.

Return on total capital: Income after financial items plus financial expenses, in relation to average total capital.

Return on total capital employed: Income after financial items plus financial expenses, in relation to average capital employed.

Revenue: Revenue from gaming business is reported after payment/payout of players' winnings, less deductions for jackpot contributions, loyalty programs and bonuses and other operating income. License fees from B2B partners consists of invoiced revenue for providing technical platforms for external gaming operators.



FINANCIAL CALENDAR

Q4 2024 and Year-end report	06 February, 2025
Q1 2025	29 April, 2025
Q2 2025	18 July, 2025
Q3 2025	24 October, 2025
Q4 2025 and Year-end report	05 February, 2026

PRESENTATION OF THE INTERIM REPORT

At 10:00 CEST on 24 October 2024, Betsson invites analysts, investors and media to participate in the presentation of the results for the third quarter. The results will be presented by CEO Pontus Lindwall and CFO Martin Öhman. The presentation will be held in English, followed by a Q&A session. Participants are welcome to join via the webcast or telephone conference.

Link to the webcast: <https://ir.financialhearings.com/betsson-q3-report-2024/register>

Link with information on how to participate in the telephone conference:

<https://financialhearings.com/event/49078>



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ABOUT BETSSON

Betsson AB is an engaged owner of fast-growing companies in the online gaming industry. We are one of the largest online gaming groups worldwide and have the ambition to grow faster than the market, organically and through acquisitions. Growth should be generated in a profitable and sustainable manner. Betsson AB is listed on Nasdaq Stockholm Large Cap (BETS-B).

Betsson's operational subsidiaries' vision is to deliver the best customer experience in the industry. They offer casino, sports betting and other games via gaming licenses in 22 countries in Europe, Africa, North- and South America. The business model is to offer gaming under multiple brands, including Betsson, Betsafe and NordicBet. The brands are operated on a proprietary platform, which is the core of the offer and the customer experience.

Being a responsible operator in relation to customers, suppliers, authorities, investors and other stakeholders is a cornerstone of Betsson's business. Betsson is a member of the European Gaming and Betting Association (EGBA), ESSA (Sports Betting Integrity) and G4 (The Global Gambling Guidance Group). Learn more about the Group on www.betssonab.com

In this interim report the name Betsson or the Group is used to describe the entire business run by the operational subsidiaries.