

“Our performance continues to demonstrate strength of a diversified market footprint”

Nils Andén, CEO

KINDRED GROUP PLC

INTERIM REPORT JANUARY - SEPTEMBER 2024 (UNAUDITED)

Financial highlights

Third quarter 2024

- Total revenue was GBP 294.5 (283.9) million, an increase of 4 per cent.
- Gross winnings revenue (B2C) increased by 3 per cent to GBP 283.1 (274.7) million.
- Underlying EBITDA increased by 49 per cent to GBP 63.4 (42.6) million.
- Profit before tax was GBP 12.5 (15.1) million, impacted by significant strategic review costs of GBP 30.9 (0.6) million in relation to the FDJ transaction.
- Profit after tax was GBP 9.6 (12.6) million.
- Profit after tax includes a loss from discontinued operations of GBP 0.4 (13.1) million and profit from continuing operations of GBP 10.0 (25.7) million.
- Earnings per share were GBP 0.04 (0.06).
- Free cash flow amounted to GBP -4.2 (24.5) million.
- Number of active customers increased by 9 per cent to 1,701,100 (1,563,762).

January - September 2024

- Total revenue was GBP 929.8 (897.6) million, an increase of 4 per cent.
- Gross winnings revenue (B2C) increased by 3 per cent to GBP 897.9 (870.3) million.
- Underlying EBITDA increased by 33 per cent to GBP 196.3 (147.7) million.
- Profit before tax was GBP 107.9 (78.6) million, impacted by significant strategic review costs of GBP 34.4 (2.5) million in relation to the FDJ transaction.
- Profit after tax was GBP 85.5 (65.9) million.
- Profit after tax includes a loss from discontinued operations of GBP 3.3 (28.0) million and profit from continuing operations of GBP 88.8 (93.9) million.
- Earnings per share were GBP 0.40 (0.30).
- Free cash flow amounted to GBP 61.1 (56.5) million.

Key highlights

- La Française des Jeux (FDJ) gained the support of 91.77 per cent of shareholders to complete the acquisition of Kindred Group on 11 October 2024. FDJ's shareholding in Kindred will be 98.60 per cent following settlement-delivery of the extended offer, expected to take place on 29 October 2024.
- Kindred is on the right trajectory to achieve its GBP 250 million underlying EBITDA target for the full year 2024. Nevertheless, its exit from markets that do not have a clear path to local regulation in the near future (.com markets, including Norway), decided at the Board meeting on 14 October, will impact its ability to fully reach this target.

Key figures

GBP m	Q3		Jan-Sep		Full year 2023
	2024	2023	2024	2023	
Revenue	294.5	283.9	929.8	897.6	1,210.5
EBITDA	29.5	33.9	161.4	132.6	152.6
Underlying EBITDA	63.4	42.6	196.3	147.7	204.5
Profit before tax	12.5	15.1	107.9	78.6	59.5
Profit after tax	9.6	12.6	85.5	65.9	47.2
Earnings per share (GBP)	0.04	0.06	0.40	0.30	0.22
Net cash / EBITDA, rolling 12-month basis	0.31	0.10	0.31	0.10	0.18
Free cash flow	-4.2	24.5	61.1	56.5	103.3
Active customers (No.)	1,701,100	1,563,762			

CEO comment

Our performance continues to demonstrate strength of a diversified market footprint

The positive momentum gained throughout the first half of the year continued as we stepped into the final half of 2024, with key markets maintaining strong performance. Total revenue for the third quarter was GBP 294.5 million, representing a 4 per cent increase compared to the same period last year (5 per cent in constant currency). Excluding North America, total revenue increased by 6 per cent for the same period.

The quarter saw the conclusion of the Euros, one of our most important customer acquisition events, and the well organised Olympic games in Paris. These events contributed to an increase in active customers of 9 per cent for the full quarter in comparison to the same period last year. Following the Euros, we saw a seasonal dip in the sportsbook activity before major domestic leagues and European League competitions resumed in mid-August.

Overall continued growth in locally licensed markets

Our strategic focus on growth in locally licensed markets continues to generate long-term, sustainable revenue. Year-on-year Gross winnings revenue from locally licensed markets has grown 4 per cent versus the same period last year (7 per cent excluding North America). France has sustained strong momentum, further driven by both the Euros and the home Olympics. In addition to France, we have seen very positive results in the Netherlands, Romania and Denmark during the period.

In Belgium, the implementation of regulation enforcing the split of products had a negative impact on results and we continue to see challenging performance in Sweden. Whilst disappointing, we will continue to build positive dialogue with regulators in both markets with a goal of moving closer to a framework that keeps customers within a locally licensed regime that delivers a compelling customer experience.

The implementation of additional affordability measures during the Spring in the UK has dampened performance in the market, which showed a year-on-year decline in revenue for the period. Looking forward, we see a risk of lower channelisation within the UK market but remain very confident in its long-term contribution to the Group.

Additionally, it is very pleasing to see positive developments in Finland, where a locally licensed system is tabled to come into effect in 2027. As one of the last major European markets to put in place a licensing system for online gambling, we see a strong

opportunity for Finnish regulators to deliver a competitive framework that retains customers and generates significant tax revenue.

Maintaining a strict focus on cost-control

We have continued to demonstrate disciplined cost control throughout the period. Operational expenses will continue to decrease versus the first and second quarters of 2024, due in part to the full closure of the North American market.

Our cost cutting programme initiated in November 2023 has been highly successful. Year to date, we have seen a GBP 17.9 million reduction in operating costs (salaries and other operating expenses) versus the same period last year. Going forward, we see significant opportunity to further improve our cost effectiveness through continued cost control and careful implementation of AI and automation.

Lower marketing costs for the period were mainly driven by the exit from North America and the implementation of marketing restrictions in certain markets.

I am very pleased that our underlying EBITDA came in at GBP 63.4 million, reflecting an increase of 49 per cent year-over-year. This represents an underlying EBITDA margin of 22 per cent and demonstrates our scalable business model.

Ready to launch our proprietary sportsbook in a major market

On the product side, I'm thrilled that our in-house sportsbook development continues to progress according to schedule. Following successful launches in several smaller markets, we are now on track for our first locally licensed market launch later this quarter. Early metrics from the platform show positive activity and retention patterns, solid margin performance, and an expected distribution of engagement across various sports, with a balanced split between pre-match and in-play betting.

We are confident in both our product roadmap and broader market rollout plans, positioning us for continued growth and success into 2025.

Relax Gaming continues to show strong revenue growth, driven by broader distribution of proprietary content. The Group's B2B revenue from Relax Gaming for the quarter grew 24 per cent versus the same period last year.

Commitment to a sustainable gambling sector

During the period our share of revenue from high-risk customers was 3.2 per cent, showing a slight increase from the previous quarter. Building on our commitment to invest in technology in this area, we are implementing

an improved customer protection system, further strengthening our ability to monitor and intervene in close to real time when harmful behaviour patterns are detected.

On track to achieve our 2024 financial targets

The stellar performance and dedication from everyone at Kindred has resulted in a year-to-date underlying EBITDA of GBP 196.3 million. I am very pleased that we would be well on track to achieve our stated underlying EBITDA target for the full year 2024 of GBP 250 million.

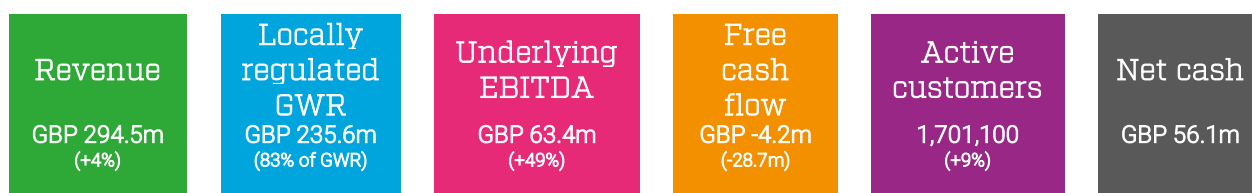
However, following the expected completion of Kindred's acquisition by La Française des Jeux (FDJ), Kindred will exit .com markets (including Norway) that don't have a clear path to local regulation in the near future. This action will negatively impact our ability to reach our stated underlying EBITDA target.

Thank you to Kindred investors, past and present

With the public offer by FDJ now completed, and as we transition into the next exciting phase in Kindred's history, I would like to take this opportunity to thank investors in Kindred, both past and present. Twenty years as a public listed company on Nasdaq Stockholm comes to an end. Together, we have made a significant contribution to the creation of a competitive, digital and sustainable online gambling industry. Whilst there is still much work to be done, I am confident that we are on the right path to delivering a compelling experience for customers, in a safe and secure environment, that ultimately delivers positive outcomes to all stakeholders.

Finally, I would like to take this opportunity to thank the global Kindred team for their unwavering resilience and dedication. Where one chapter ends, a new one begins.

Nils Andén, CEO



Significant events

After the end of the quarter

- La Française des Jeux's (FDJ) tender offer to acquire Kindred Group was approved by 91.77 per cent of Kindred Group shareholders by the end of the offer period ending on 2 October 2024. Settlement for Kindred shareholders who tendered their SDRs to the offer took place on 11 October.

FDJ extended the acceptance period of the offer until 18 October 2024, with 98.60 per cent shareholder acceptance received at the end of the updated offer period.

On 23 October, Kindred notified its shareholders of the notice received from FDJ on 3 October 2024 constituting a squeeze-out notice in terms of Article 34B of the Company's Articles of Association. This requires all shareholders of the company who have not tendered their shares in the company pursuant to the offer to transfer all their shares in the company to FDJ.

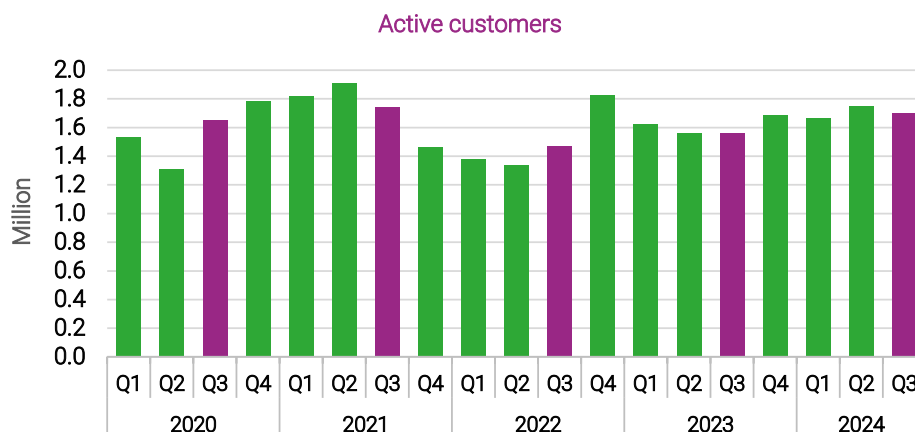
As a result of the acquisition:

- Kindred will exit from markets (including Norway) that do not have a clear path to local regulation in the near future.
- Kindred's existing loans under its current loan facility are expected to be refinanced by FDJ.
- Kindred has recognised any remaining fees due to its advisors within the third quarter numbers. These are recognised in items affecting comparability within strategic review costs and total GBP 30.9 million.
- On 23 October, Kindred published its latest report on its share of revenue from high-risk customers, as part of its "Journey towards Zero". For the third quarter of 2024, this was 3.2 per cent.
- On 24 October, the board of directors of Kindred has, in accordance with FDJ's request, applied for delisting of the SDRs in the company from Nasdaq Stockholm. Kindred will announce the last day of trading as soon as Nasdaq Stockholm has confirmed the date to the company.

Customer activity (B2C)

For the third quarter of 2024, the number of B2C active customers amounted to 1,701,100 (1,563,762), a 9 per cent increase compared to the third quarter of 2023. Sports betting active customers increased by 14 per cent and casino active customers increased by 6 per cent when compared to the third quarter of 2023.

The trend in the number of active customers can be seen in the graph below, with an active customer defined as one placing a bet in the last three months.



1,701,100

Active customers for Q3 2024

+9%

Active customer increase from Q3 2023

Financial review

As a result of the closure of the Group's locally licensed North American operations, the presentation of the Group's condensed consolidated financial statements has been updated since the second quarter of 2024 to present continuing and discontinued operations separately (as required by the relevant accounting standards). Refer to note 5 on pages 16 to 20 for further information. All commentary and numbers within this financial review related to the condensed consolidated income statement refers to the total Group numbers shown on pages 17 to 19 (in line with total Group numbers previously reported).

Revenue

GBP m	Q3		Jan-Sep		Full year
	2024	2023	2024	2023	2023
Gross winnings revenue (B2C)	283.1	274.7	897.9	870.3	1,171.9
Other revenue (B2B)	11.4	9.2	31.9	27.3	38.6
Revenue	294.5	283.9	929.8	897.6	1,210.5

GBP

294.5m

Total revenue for Q3 2024

+4%

Total revenue increase from Q3 2023 (+5% in constant currency)

Total revenue for the third quarter of 2024 amounted to GBP 294.5 (283.9) million. This includes Gross winnings revenue from the B2C business, and other revenue from the B2B business, Relax Gaming. For further analysis of these numbers refer to note 6 on pages 20 to 21 and page 27.

Cost of sales

GBP m	Q3		Jan-Sep		Full year
	2024	2023	2024	2023	2023
Betting duties	-81.6	-73.7	-256.2	-235.3	-318.0
Marketing revenue share	-7.6	-9.2	-25.1	-27.9	-37.7
Other cost of sales	-37.7	-42.2	-123.2	-130.8	-175.0
Cost of sales	-126.9	-125.1	-404.5	-394.0	-530.7

Administrative expenses

GBP m	Q3		Jan-Sep		Full year
	2024	2023	2024	2023	2023
Salaries	-36.7	-40.5	-113.4	-126.9	-164.1
Other operating expenses	-20.5	-22.3	-63.8	-68.2	-90.5
Depreciation of property, plant and equipment	-1.9	-2.6	-6.6	-8.5	-11.1
Depreciation of right-of-use assets	-3.1	-3.4	-8.9	-10.3	-13.8
Amortisation of intangible assets	-10.5	-10.3	-32.1	-28.4	-38.7
Total administrative expenses	-72.7	-79.1	-224.8	-242.3	-318.2

Other information

Financial information

This report is unaudited. The financial information within this report has been presented in accordance with International Financial Reporting Standards as adopted by the European Union, except where otherwise stated. The accounting policies remain unchanged from the last published Annual and Sustainability Report and Accounts for the year ended 31 December 2023.

Throughout the report, where a comparative number is stated in brackets, this relates to the comparative of the period specified.

Employees

The Kindred Group had 2,317 (2,476) employees at 30 September 2024, compared with 2,323 employees at 30 June 2024. The number of consultants amounted to 145 (216) at 30 September 2024.

Principal risks

The Kindred Group manages strategic, operational, financial, compliance and industry specific risks on a Group-wide basis. Further details of the Group's risk management and risks arising from the legal environment can be found on pages 32 to 36 and pages 72 to 75 of the Annual and Sustainability Report and Accounts for the year ended 31 December 2023, available from www.kindredgroup.com.

Tax environment

The Group operates in multiple jurisdictions and complies with both national and international tax rules. The digitalisation of the economy has brought new tax challenges to companies operating in this sector whose established business models - in line with industry practice - are under greater scrutiny from tax authorities.

In very recent years, enquiries and contact with tax authorities have become more frequent and an integral part of our compliance management. The Group is committed to working constructively with tax authorities to aid their understanding of our tax affairs in their respective jurisdictions and aiming to reach a conclusion to the assessments as swiftly as possible.

In 2021, the Organisation for Economic Co-operation and Development (OECD) and G20 Inclusive Framework released proposed Model Rules for a two-pillar international tax reform. The focus recently has been on implementing the OECD Model Rules for a global minimum tax rate of 15 per cent (Pillar II). On 12 December 2022, agreement was reached at EU level on adopting a Directive implementing the global minimum tax as from 2024, which was required to be transposed into domestic legislation of the EU Member States by 31 December 2023. Malta, the Group's ultimate parent jurisdiction up until the FDJ acquisition on 11 October 2024, has opted to apply the derogation afforded by the EU Directive, allowing for a delay in implementation of the global minimum tax rules. Therefore, for the fiscal year 2024, Malta will not introduce the Income Inclusion Rule nor the Undertaxed Profits Rule. The Maltese Government also announced that it will not introduce a qualified domestic top-up tax for the fiscal year 2024, and further updates are expected in the next Maltese budget announcement later this year.

The Group has performed a preliminary calculation of the "Transitional Safe Harbours" for Pillar II purposes ("TSH") on the basis of the OECD rules on "Safe Harbour and Penalty Relief" issued on 20 December 2022 and the OECD's July 2023 Administrative Guidance which are understood to represent the "qualifying international agreement on safe harbours" for the

purposes of the EU Directive n. 2523/2022 (art. 32). Based on the financial data of up to the third quarter 2024, the TSH tests may not be met in all jurisdictions in which the Kindred Group operates. However, as the application and interpretation of these rules is still unclear, further analysis is required in respect of some jurisdictions to be able to ascertain eligibility.

The Group's Effective Tax Rate for the period January to September 2024 includes estimates of the potential tax exposure. It is important to note that ongoing developments regarding the application of the Global Minimum Tax rules, including the safe harbour tests, in the countries where the Group currently operates may be subject to change or varying interpretations. As a result, quantitative information supporting the potential exposure of the Group to Global Minimum Tax can only be indicative at this stage.

Malta, 25 October 2024

Nils Andén
CEO

Kindred Group plc, Level 6, The Centre, Tigne Point, Sliema, TPO 0001 Malta.

Registered in Malta. Company number C 39017. Registered office: c/o Camilleri Preziosi, Level 2, Valletta Buildings, South Street, Valletta, VLT 1103, Malta.

The information in this report is such that Kindred Group plc is required to disclose under the EU Regulation of Market Abuse, MAR. This document is the English original. In the event of any discrepancy between the original English document and the Swedish translation, the English original shall prevail.



Report on review of interim financial information

To the Directors of Kindred Group plc

Introduction

We have reviewed the accompanying condensed consolidated balance sheet of Kindred Group plc and its subsidiaries (the "Group") as at 30 September 2024 and the related condensed consolidated income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the nine-month period then ended and explanatory notes. The directors are responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU applicable to interim financial reporting (International Accounting Standard 34, 'Interim Financial Reporting'). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information 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 and consequently does 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 accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34, 'Interim Financial Reporting'.

Other matters

This report, including the conclusion, has been prepared for and only for the Group and for no other purpose. We do not, in producing this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Ian Curmi
Principal

PricewaterhouseCoopers
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Zone 5, Central Business District
Qormi
Malta

25 October 2024

Condensed consolidated income statement

GBP m	Q3		Jan-Sep		Full year 2023
	2024	2023	2024	2023	
Revenue	294.5	277.8	922.5	875.7	1,181.2
Betting duties	-81.5	-71.2	-252.9	-226.5	-306.3
Marketing revenue share	-7.6	-8.5	-25.0	-26.0	-35.2
Other cost of sales	-37.6	-39.6	-119.5	-121.5	-162.4
Cost of sales	-126.7	-119.3	-397.4	-374.0	-503.9
Gross profit	167.8	158.5	525.1	501.7	677.3
Marketing costs	-47.0	-48.1	-151.4	-148.9	-204.7
Salaries	-36.5	-37.8	-111.1	-118.6	-153.1
Other operating expenses	-20.2	-22.1	-62.2	-65.3	-86.4
Depreciation of property, plant and equipment	-1.9	-2.5	-6.4	-8.2	-10.7
Depreciation of right-of-use assets	-3.1	-3.3	-8.9	-10.0	-13.4
Amortisation of intangible assets	-10.5	-9.9	-31.5	-27.2	-37.2
Total administrative expenses	-72.2	-75.6	-220.1	-229.3	-300.8
Underlying profit before items affecting comparability	48.6	34.8	153.6	123.5	171.8
Personnel restructuring costs	-3.2	-1.5	-4.0	-5.3	-7.4
Regulatory sanctions	-	-	1.5	-	-0.2
Market closure and contract termination costs	-0.9	-0.7	-1.4	-2.8	-8.4
Strategic review costs	-30.9	-0.6	-34.4	-2.5	-4.9
Other gains/(losses)	0.8	-1.3	1.8	0.4	-3.7
Impairment losses	-	-	-0.5	-	-
Profit from operations	14.4	30.7	116.6	113.3	147.2
Finance costs	-2.2	-3.0	-7.4	-8.3	-11.3
Finance income	0.7	0.5	2.0	1.5	2.6
Profit before tax	12.9	28.2	111.2	106.5	138.5
Income tax expense	-2.9	-2.5	-22.4	-12.6	-12.2
Profit for the period from continuing operations	10.0	25.7	88.8	93.9	126.3
Loss for the period from discontinued operations	-0.4	-13.1	-3.3	-28.0	-79.1
Profit for the period	9.6	12.6	85.5	65.9	47.2
Profit is attributable to:					
Owners of Kindred Group plc	9.6	12.4	85.5	65.6	46.5
Non-controlling interests	-	0.2	-	0.3	0.7
Total profit	9.6	12.6	85.5	65.9	47.2
Earnings per share:					
From continuing operations, GBP	0.04	0.12	0.42	0.43	0.59
From discontinued operations, GBP	-	-0.06	-0.02	-0.13	-0.37
Total earnings per share, GBP	0.04	0.06	0.40	0.30	0.22
Diluted earnings per share:					
From continuing operations, GBP	0.04	0.12	0.41	0.43	0.57
From discontinued operations, GBP	-	-0.06	-0.02	-0.13	-0.36
Total diluted earnings per share, GBP	0.04	0.06	0.39	0.30	0.21

Condensed consolidated statement of comprehensive income

GBP m	Q3		Jan-Sep		Full year
	2024	2023	2024	2023	2023
Profit after tax	9.6	12.6	85.5	65.9	47.2
Other comprehensive income					
Currency translation adjustments taken to equity - continuing operations	-2.6	5.7	-16.9	-18.3	-11.4
Currency translation adjustments taken to equity - discontinued operations	-4.0	0.8	-4.0	-1.1	-1.9
Gains/(losses) on net investment hedge	1.4	-1.6	5.2	5.7	4.0
Total comprehensive income for the period	4.4	17.5	69.8	52.2	37.9
Total comprehensive income for the period is attributable to:					
Owners of Kindred Group plc	4.4	17.3	69.8	51.9	37.2
Non-controlling interests	-	0.2	-	0.3	0.7
Total comprehensive income for the period	4.4	17.5	69.8	52.2	37.9
Total comprehensive income for the period attributable to owners of Kindred Group plc arises from:					
Continuing operations	8.8	29.6	77.1	81.0	118.2
Discontinued operations	-4.4	-12.3	-7.3	-29.1	-81.0
	4.4	17.3	69.8	51.9	37.2

Condensed consolidated balance sheet

GBP m	30 Sep 2024	30 Sep 2023	31 Dec 2023
Assets			
Non-current assets			
Property, plant and equipment	11.1	16.7	15.0
Right-of-use assets	26.9	42.7	36.9
Goodwill	423.1	430.6	433.4
Other intangible assets	254.7	269.7	256.2
Deferred tax assets	48.2	38.5	55.7
Other non-current assets	3.3	3.8	3.8
	767.3	802.0	801.0
Current assets			
Taxation recoverable	73.7	51.4	58.7
Trade and other receivables	79.0	79.4	64.4
Cash and cash equivalents	216.7	248.8	240.3
	369.4	379.6	363.4
Total assets	1,136.7	1,181.6	1,164.4
Equity and liabilities			
Capital and reserves			
Share capital	0.1	0.1	0.1
Share premium	81.5	81.5	81.5
Currency translation reserve	0.6	11.9	16.3
Reorganisation reserve	-42.9	-42.9	-42.9
Retained earnings	540.8	525.8	446.8
Total equity attributable to the owners	580.1	576.4	501.8
Non-controlling interest	0.1	6.1	5.8
Total equity	580.2	582.5	507.6
Non-current liabilities			
Borrowings	97.3	153.1	141.8
Lease liabilities	14.4	30.0	25.9
Deferred tax liabilities	27.5	22.5	27.5
Provisions	1.8	1.9	1.9
	141.0	207.5	197.1
Current liabilities			
Trade and other payables	212.4	209.1	217.8
Customer balances	63.3	75.5	71.1
Deferred income	5.3	6.5	5.3
Tax liabilities	67.5	72.4	90.5
Lease liabilities	14.1	14.0	15.3
Other financial liabilities at fair value through profit and loss	-	0.3	25.7
Provisions	52.9	13.8	34.0
	415.5	391.6	459.7
Total liabilities	556.5	599.1	656.8
Total equity and liabilities	1,136.7	1,181.6	1,164.4

Condensed consolidated statement of changes in equity

GBP m	Q3		Jan-Sep		Full year 2023
	2024	2023	2024	2023	
Opening balance of total equity at beginning of period	574.5	562.3	507.6	595.0	595.0
Comprehensive income					
Profit for the period	9.6	12.6	85.5	65.9	47.2
Other comprehensive income:					
Currency translation adjustments taken to equity - continuing operations	-2.6	5.7	-16.9	-18.3	-11.4
Currency translation adjustments taken to equity - discontinued operations	-4.0	0.8	-4.0	-1.1	-1.9
Gains/(losses) on net investment hedge	1.4	-1.6	5.2	5.7	4.0
Total comprehensive income	4.4	17.5	69.8	52.2	37.9
Transactions with owners					
Employee share schemes - value of employee services	-3.3	2.7	-6.9	-5.9	-4.0
Acquisition of non-controlling interest shares	-	-	-0.1	-	-24.7
Treasury share purchases	-	-	-	-34.2	-34.2
Disposal / utilisation of treasury shares	4.6	-	9.8	12.7	12.7
Dividend paid to shareholders	-	-	-	-37.3	-74.4
Dividend paid to non-controlling interests	-	-	-	-	-0.7
Total transactions with owners	1.3	2.7	2.8	-64.7	-125.3
Closing balance of total equity at end of period	580.2	582.5	580.2	582.5	507.6
Equity is attributable to:					
Owners of Kindred Group plc	580.2	576.3	580.2	576.3	501.8
Non-controlling interests	-	6.2	-	6.2	5.8
Total equity	580.2	582.5	580.2	582.5	507.6

Condensed consolidated cash flow statement

GBP m	Q3		Jan-Sep		Full year 2023
	2024	2023	2024	2023	
Operating activities					
Profit from operations	14.0	17.6	113.3	85.4	68.2
Adjustments for:					
Depreciation of property, plant and equipment	1.9	2.6	6.6	8.5	11.1
Depreciation of right-of-use assets	3.1	3.4	8.9	10.3	13.8
Amortisation of intangible assets	10.5	10.3	32.1	28.4	38.7
Impairment losses	-	-	0.5	-	20.8
Loss on disposal of intangible assets	-	0.2	0.2	0.2	1.1
(Gain)/loss on disposal of property, plant and equipment	-	-0.1	-	-	0.1
Other (gains)/losses	-0.8	-2.7	-0.7	1.1	1.8
Share-based payments	1.3	2.6	3.0	6.8	8.7
Operating cash flows before movements in working capital	30.0	33.9	163.9	140.7	164.3
(Increase)/decrease in trade and other receivables	-14.8	-5.3	-13.6	-13.2	1.7
Increase in trade and other payables, including customer balances and provisions	18.8	19.2	8.2	2.4	25.4
Cash flows from operating activities	34.0	47.8	158.5	129.9	191.4
Net income taxes paid	-25.4	-3.2	-53.7	-27.9	-27.4
Net cash generated from operating activities	8.6	44.6	104.8	102.0	164.0
Investing activities					
Acquisition of subsidiaries, net of cash acquired	-	-	-	-0.4	-0.4
Acquisition of non-controlling interest shares	-	-	-24.3	-	-
Settlement of contingent consideration	-	-	-	-1.9	-1.9
Interest received	0.7	0.6	2.0	1.7	2.5
Settlement of convertible bond	-	-	-	6.5	6.5
Purchases of property, plant and equipment	-1.4	-1.3	-3.4	-7.0	-9.6
Development and acquisition costs of intangible assets	-11.1	-9.5	-35.5	-31.7	-45.9
Net cash used in investing activities	-11.8	-10.2	-61.2	-32.8	-48.8
Financing activities					
Interest paid	-1.8	-1.9	-6.4	-6.4	-9.8
Interest paid on lease liabilities	-0.2	-0.3	-0.7	-0.9	-1.2
Repayment of lease liabilities	-3.4	-3.4	-12.0	-10.7	-13.1
Dividend paid to shareholders	-	-	-	-37.2	-74.0
Dividend paid to non-controlling interests	-	-	-	-	-0.7
Treasury share purchases	-	-	-	-34.2	-34.2
Proceeds from borrowings	-	-	23.9	89.6	95.6
Repayment of borrowings	-23.6	-5.1	-63.5	-66.6	-85.6
Net cash used in financing activities	-29.0	-10.7	-58.7	-66.4	-123.0
Net (decrease)/increase in cash and cash equivalents	-32.2	23.7	-15.1	2.8	-7.8
Cash and cash equivalents at beginning of period	252.5	223.4	240.3	254.9	254.9
Effect of foreign exchange rate changes	-3.6	1.7	-8.5	-8.9	-6.8
Cash and cash equivalents at end of period	216.7	248.8	216.7	248.8	240.3

Notes to the condensed consolidated interim financial statements

1: General information

Kindred Group plc (the Company) and its subsidiaries (together, the Group) is one of the largest independent, publicly quoted online gambling operators in Europe. The Group's primary business is its B2C online business, operating across Europe and Australia (and North America until the second quarter of 2024), and offering sports betting, casino & games, poker and other products through several brands. It also has a complementary B2B business in Relax gaming, a leading iGaming product supplier, supplying other top tier operators across its markets.

The Company is a public limited liability company incorporated and domiciled in Malta and listed only on the NASDAQ Stockholm. The Group's most significant subsidiaries can be found in Malta, the United Kingdom, Sweden, France, Italy, Gibraltar and Australia.

This condensed consolidated interim financial information was approved for issue on 25 October 2024.

2: Basis of preparation

This condensed consolidated interim financial information for the nine-month period ended 30 September 2024 has been prepared in accordance with IAS 34, 'Interim financial reporting'. The interim condensed financial report should be read in conjunction with the annual financial statements (Annual and Sustainability Report and Accounts) for the year ended 31 December 2023.

The next annual financial statements will be prepared in accordance with IFRS as adopted by the European Union and drawn up to the year ending 31 December 2024.

Although the Group is in a net current liability position, the Group has a solid financial position with strong liquidity and low leverage. The Group also generates strong cash flows, and it is expected that sufficient funds will be available for its ongoing operations. As a result of the acquisition by FDJ (see page 4) the Group's existing borrowings under the current facilities are expected to be refinanced by FDJ.

In adopting the going concern assumption, the Directors have reviewed the financial position of the Group, together with its forecasted cash flows and financing facilities available, and have a reasonable expectation that the Group has adequate resources to continue in operational existence for a minimum of 12 months from the date of approval of the interim report.

3: Significant accounting policies

The same accounting policies, presentation and methods of computation are followed in these condensed consolidated interim financial statements as were applied in the preparation of the Group's consolidated financial statements for the year ended 31 December 2023, except for

- Certain amendments or interpretations to standards effective from 1 January 2024 and implemented during the period, which did not have a material effect on these condensed consolidated interim financial statements.

4: Items affecting comparability

The Group defines items affecting comparability as those items which, by their size or nature in relation to both the Group and individual segments, should be separately disclosed in order to give a full understanding of the Group's underlying financial performance, and aid comparability of the Group's results between periods.

The table below includes only items affecting comparability from continuing operations, in line with the condensed consolidated income statement presented on page 9. The commentary below relates to total items affecting comparability from discontinued and continuing operations, in line with the income statement disclosure on pages 17 to 18.

GBP m	Q3		Jan-Sep		Full year
	2024	2023	2024	2023	2023
Personnel restructuring costs	-3.2	-1.5	-4.0	-5.3	-7.4
Regulatory sanctions	-	-	1.5	-	-0.2
Market closure and contract termination costs	-0.9	-0.7	-1.4	-2.8	-8.4
Strategic review costs	-30.9	-0.6	-34.4	-2.5	-4.9
Other gains/(losses)	0.8	-1.3	1.8	0.4	-3.7
Impairment losses	-	-	-0.5	-	-
Items affecting comparability	-34.2	-4.1	-37.0	-10.2	-24.6

Total items affecting comparability, from both discontinued and continuing operations, amounted to a negative contribution of GBP 33.9 (8.7) million for the quarter.

Personnel restructuring costs amounted to GBP 3.2 (1.8) million and relate to continued organisational changes and cost optimisation actions taken to ensure that the Group optimises its headcount to create cost and operational efficiencies, as previously announced.

Market closure and contract termination costs amounted to GBP 0.6 (5.0) million and relate to contract termination costs for the North American market and customer claims. Certain contract negotiations have been finalised during the quarter and have resulted in adjustments to expected costs. Certain contract negotiations remain ongoing and could therefore still be subject to change. Customer claims are not considered to be a part of the Group's core business, as a result of the closure of the markets where such claims are received (including markets operating under the Group's .com licences prior to local regulation) and are therefore recognised within items affecting comparability.

Strategic review costs of GBP 30.9 (0.6) million relate to costs being incurred by the Group in relation to the review of strategic alternatives announced on 26 April 2023 and the subsequently announced acquisition by FDJ (see page 4). The majority of these costs are included within current provisions at 30 September 2024, causing the movement in this balance from December 2023.

Other gains/(losses) for the third quarter of 2024 comprise:

- Fair value losses of GBP 1.1 (0.2) million primarily in relation to forward contracts.
- Foreign currency gains of GBP 1.9 (losses of 1.1) million. Foreign exchange gains for the quarter were primarily impacted by the strengthening of the British Pound against the Group's main currencies. Kindred operates internationally and its results are therefore naturally impacted by currency fluctuations, primarily unrealised foreign currency differences relating to the retranslation of foreign currency current assets and liabilities, including both cash and customer balances. Foreign currency movements are partly offset by corresponding forward contract movements, noted above.

On top of the items above which are relevant to both the third quarter of 2024 and the period January to September 2024, the period January to September 2024 is impacted by:

- Regulatory sanctions, being a positive contribution of GBP 1.5 (nil) million, relating to the decision by Administrative Court of Appeal in Jönköping (Sweden) to reduce the sanction fee that Kindred Group had previously received from the SGA. The fine was reduced from SEK 50 million to SEK 30 million and the provision held by the Group was reduced accordingly during the first quarter.
- Impairment losses of GBP 0.5 (nil) million, primarily relating to impairment of a sublease that the Group has with a third party.

5: Discontinued operations

As a result of the closure of the Group's locally licensed North American operations during the second quarter of 2024 (with different states and provinces closing on different dates throughout this period), the presentation of the Group's condensed consolidated financial statements has been updated to comply with relevant International Financial Reporting Standards. These locally licensed North American operations which have been closed are now reported as discontinued operations.

In the condensed consolidated income statement, discontinued operations are now reported separately, with the net profit or loss after tax reported as a separate line item. In the condensed consolidated statement of comprehensive income and statement of changes in equity, currency translation adjustments are now split between continuing and discontinued operations. There has been no impact on the consolidated balance sheet or consolidated cash flow statement. All corresponding comparative numbers in these financial statements have also been updated.

Discontinued operations include all of the Group's North American activity in relation to its local licences held. However, they exclude North American activity on the Group's .com licence, such as within Canadian provinces which do not operate under local regulation. As a result, the numbers presented within discontinued operations will not fully align with numbers reported on by the Group for North America, which includes all the above operations.

To aid comparability of the Group numbers for users of this report, a reconciliation of the condensed consolidated income statement on page 9 (which presents only continuing operations by line item) to total Group numbers (as previously presented) is shown on the following pages. A similar reconciliation is also provided on the following pages for the condensed consolidated statement of comprehensive income on page 10.

Net cash flows from the Group's discontinued operations (including a split between operating, investing and financing activities) are shown below:

GBP m	Q3		Jan-Sep		Full year
	2024	2023	2024	2023	2023
Net cash generated from/(used in) operating activities	10.3	-11.7	-6.5	-30.8	-39.1
Net cash used in investing activities	-	-0.1	-	-1.0	-1.1
Net cash used in financing activities	-	-0.1	-1.3	-0.2	-0.4
Net increase/(decrease) in cash and cash equivalents	10.3	-11.9	-7.8	-32.0	-40.5

Condensed consolidated income statement

GBP m	Q3					
	Discontinued operations	2024 Continuing operations	Total	Discontinued operations	2023 Continuing operations	Total
Revenue	-	294.5	294.5	6.1	277.8	283.9
Betting duties	-0.1	-81.5	-81.6	-2.5	-71.2	-73.7
Marketing revenue share	-	-7.6	-7.6	-0.7	-8.5	-9.2
Other cost of sales	-0.1	-37.6	-37.7	-2.6	-39.6	-42.2
Cost of sales	-0.2	-126.7	-126.9	-5.8	-119.3	-125.1
Gross (loss)/profit	-0.2	167.8	167.6	0.3	158.5	158.8
Marketing costs	-	-47.0	-47.0	-5.3	-48.1	-53.4
Salaries	-0.2	-36.5	-36.7	-2.7	-37.8	-40.5
Other operating expenses	-0.3	-20.2	-20.5	-0.2	-22.1	-22.3
Depreciation of property, plant and equipment	-	-1.9	-1.9	-0.1	-2.5	-2.6
Depreciation of right-of-use assets	-	-3.1	-3.1	-0.1	-3.3	-3.4
Amortisation of intangible assets	-	-10.5	-10.5	-0.4	-9.9	-10.3
Total administrative expenses	-0.5	-72.2	-72.7	-3.5	-75.6	-79.1
Underlying (loss)/profit before items affecting comparability	-0.7	48.6	47.9	-8.5	34.8	26.3
Personnel restructuring costs	-	-3.2	-3.2	-0.3	-1.5	-1.8
Regulatory sanctions	-	-	-	-	-	-
Market closure and contract termination costs	0.3	-0.9	-0.6	-4.3	-0.7	-5.0
Strategic review costs	-	-30.9	-30.9	-	-0.6	-0.6
Other gains/(losses)	-	0.8	0.8	-	-1.3	-1.3
(Loss)/profit from operations	-0.4	14.4	14.0	-13.1	30.7	17.6
Finance costs	-	-2.2	-2.2	-	-3.0	-3.0
Finance income	-	0.7	0.7	-	0.5	0.5
(Loss)/profit before tax	-0.4	12.9	12.5	-13.1	28.2	15.1
Income tax expense	-	-2.9	-2.9	-	-2.5	-2.5
(Loss)/profit after tax	-0.4	10.0	9.6	-13.1	25.7	12.6
(Loss)/profit is attributable to:						
Owners of Kindred Group plc	-0.4	10.0	9.6	-13.1	25.5	12.4
Non-controlling interests	-	-	-	-	0.2	0.2
Total (loss)/profit	-0.4	10.0	9.6	-13.1	25.7	12.6
Earnings per share (GBP)	-	0.04	0.04	-0.06	0.12	0.06
Diluted earnings per share (GBP)	-	0.04	0.04	-0.06	0.12	0.06

GBP m	Jan-Sep					
	2024			2023		
	Discontinued operations	Continuing operations	Total	Discontinued operations	Continuing operations	Total
Revenue	7.3	922.5	929.8	21.9	875.7	897.6
Betting duties	-3.3	-252.9	-256.2	-8.8	-226.5	-235.3
Marketing revenue share	-0.1	-25.0	-25.1	-1.9	-26.0	-27.9
Other cost of sales	-3.7	-119.5	-123.2	-9.3	-121.5	-130.8
Cost of sales	-7.1	-397.4	-404.5	-20.0	-374.0	-394.0
Gross profit	0.2	525.1	525.3	1.9	501.7	503.6
Marketing costs	-0.4	-151.4	-151.8	-11.9	-148.9	-160.8
Salaries	-2.3	-111.1	-113.4	-8.3	-118.6	-126.9
Other operating expenses	-1.6	-62.2	-63.8	-2.9	-65.3	-68.2
Depreciation of property, plant and equipment	-0.2	-6.4	-6.6	-0.3	-8.2	-8.5
Depreciation of right-of-use assets	-	-8.9	-8.9	-0.3	-10.0	-10.3
Amortisation of intangible assets	-0.6	-31.5	-32.1	-1.2	-27.2	-28.4
Total administrative expenses	-4.7	-220.1	-224.8	-13.0	-229.3	-242.3
Underlying (loss)/profit before items affecting comparability	-4.9	153.6	148.7	-23.0	123.5	100.5
Personnel restructuring costs	-0.1	-4.0	-4.1	-0.4	-5.3	-5.7
Regulatory sanctions	-	1.5	1.5	-	-	-
Market closure and contract termination costs	1.7	-1.4	0.3	-4.8	-2.8	-7.6
Strategic review costs	-	-34.4	-34.4	-	-2.5	-2.5
Other gains	-	1.8	1.8	0.3	0.4	0.7
Impairment losses	-	-0.5	-0.5	-	-	-
(Loss)/profit from operations	-3.3	116.6	113.3	-27.9	113.3	85.4
Finance costs	-	-7.4	-7.4	-	-8.3	-8.3
Finance income	-	2.0	2.0	-	1.5	1.5
(Loss)/profit before tax	-3.3	111.2	107.9	-27.9	106.5	78.6
Income tax expense	-	-22.4	-22.4	-0.1	-12.6	-12.7
(Loss)/profit after tax	-3.3	88.8	85.5	-28.0	93.9	65.9
(Loss)/profit is attributable to:						
Owners of Kindred Group plc	-3.3	88.8	85.5	-28.0	93.6	65.6
Non-controlling interests	-	-	-	-	0.3	0.3
Total (loss)/profit	-3.3	88.8	85.5	-28.0	93.9	65.9
Earnings per share (GBP)	-0.02	0.42	0.40	-0.13	0.43	0.30
Diluted earnings per share (GBP)	-0.02	0.41	0.39	-0.13	0.43	0.30

GBP m	Full year 2023		Total
	Discontinued operations	Continuing operations	
Revenue	29.3	1,181.2	1,210.5
Betting duties	-11.7	-306.3	-318.0
Marketing revenue share	-2.5	-35.2	-37.7
Other cost of sales	-12.6	-162.4	-175.0
Cost of sales	-26.8	-503.9	-530.7
Gross profit	2.5	677.3	679.8
Marketing costs	-16.0	-204.7	-220.7
Salaries	-11.0	-153.1	-164.1
Other operating expenses	-4.1	-86.4	-90.5
Depreciation of property, plant and equipment	-0.4	-10.7	-11.1
Depreciation of right-of-use assets	-0.4	-13.4	-13.8
Amortisation of intangible assets	-1.5	-37.2	-38.7
Total administrative expenses	-17.4	-300.8	-318.2
Underlying (loss)/profit before items affecting comparability	-30.9	171.8	140.9
Personnel restructuring costs	-2.2	-7.4	-9.6
Regulatory sanctions	-	-0.2	-0.2
Market closure and contract termination costs	-25.4	-8.4	-33.8
Strategic review costs	-	-4.9	-4.9
Other gains/(losses)	0.3	-3.7	-3.4
Impairment losses	-20.8	-	-20.8
(Loss)/profit from operations	-79.0	147.2	68.2
Finance costs	-	-11.3	-11.3
Finance income	-	2.6	2.6
(Loss)/profit before tax	-79.0	138.5	59.5
Income tax expense	-0.1	-12.2	-12.3
(Loss)/profit after tax	-79.1	126.3	47.2
(Loss)/profit is attributable to:			
Owners of Kindred Group plc	-79.1	125.6	46.5
Non-controlling interests	-	0.7	0.7
Total (loss)/profit	-79.1	126.3	47.2
Earnings per share (GBP)	-0.37	0.59	0.22
Diluted earnings per share (GBP)	-0.36	0.57	0.21

Condensed consolidated statement of comprehensive income

GBP m	Q3					
	2024			2023		
	Discontinued operations	Continuing operations	Total	Discontinued operations	Continuing operations	Total
(Loss)/profit after tax	-0.4	10.0	9.6	-13.1	25.7	12.6
Other comprehensive income						
Currency translation adjustments	-4.0	-2.6	-6.6	0.8	5.7	6.5
Gains/(losses) on net investment hedge	-	1.4	1.4	-	-1.6	-1.6
Total comprehensive income for the period	-4.4	8.8	4.4	-12.3	29.8	17.5

GBP m	Jan-Sep					
	2024			2023		
	Discontinued operations	Continuing operations	Total	Discontinued operations	Continuing operations	Total
(Loss)/profit after tax	-3.3	88.8	85.5	-28.0	93.9	65.9
Other comprehensive income						
Currency translation adjustments	-4.0	-16.9	-20.9	-1.1	-18.3	-19.4
Gains on net investment hedge	-	5.2	5.2	-	5.7	5.7
Total comprehensive income for the period	-7.3	77.1	69.8	-29.1	81.3	52.2

GBP m	Full year 2023		
	Discontinued operations	Continuing operations	Total
(Loss)/profit after tax	-79.1	126.3	47.2
Other comprehensive income			
Currency translation adjustments	-1.9	-11.4	-13.3
Gains on net investment hedge	-	4.0	4.0
Total comprehensive income for the period	-81.0	118.9	37.9

6: Operating segments

The operating segments during the nine-month period ended 30 September 2024 and 30 September 2023 are as follows:

Nine months ended 30 Sep 2024

GBP m	Kindred Group				Total
	(B2C excluding Relax Gaming)	Relax Gaming (B2B)	Eliminations		
Gross winnings revenue (B2C)	895.7	-	2.2		897.9
Other revenue (B2B)	-	40.7	-8.8		31.9
Revenue	895.7	40.7	-6.6		929.8
Betting duties	-256.2	-	-		-256.2
Marketing revenue share	-25.1	-	-		-25.1
Other cost of sales	-122.0	-7.4	6.2		-123.2
Gross profit	492.4	33.3	-0.4		525.3
Marketing costs	-150.9	-0.9	-		-151.8
Total administrative expenses	-204.4	-20.4	-		-224.8
Items affecting comparability	-35.4	-	-		-35.4
Profit from operations	101.7	12.0	-0.4		113.3

Nine months ended 30 Sep 2023

GBP m	Kindred Group (B2C excluding Relax Gaming)	Relax Gaming (B2B)	Eliminations	Total
Gross winnings revenue (B2C)	867.6	-	2.7	870.3
Other revenue (B2B)	-	36.7	-9.4	27.3
Revenue	867.6	36.7	-6.7	897.6
Betting duties	-235.3	-	-	-235.3
Marketing revenue share	-27.9	-	-	-27.9
Other cost of sales	-131.4	-5.7	6.3	-130.8
Gross profit	473.0	31.0	-0.4	503.6
Marketing costs	-159.8	-1.0	-	-160.8
Total administrative expenses	-225.6	-16.7	-	-242.3
Items affecting comparability	-15.1	-	-	-15.1
Profit from operations	72.5	13.3	-0.4	85.4

Further analysis of the B2C business by region during the nine-month period ended 30 September 2024 and September 2023 can be seen below:

Nine months ended 30 Sep 2024

GBP m	Western Europe	Nordic Region	Eastern & Southern	Other	Total
Gross winnings revenue (B2C)	581.3	201.7	88.7	24.0	895.7
Betting duties	-205.7	-25.2	-15.6	-9.7	-256.2
Marketing revenue share	-17.7	-3.8	-3.0	-0.6	-25.1
Other cost of sales	-61.0	-37.7	-17.4	-5.8	-121.9
Gross profit	296.9	135.0	52.7	7.9	492.5

Nine months ended 30 Sep 2023

GBP m	Western Europe	Nordic Region	Central, Eastern &	Other	Total
Gross winnings revenue (B2C)	522.7	212.5	92.7	39.7	867.6
Betting duties	-179.9	-24.9	-15.0	-15.5	-235.3
Marketing revenue share	-17.3	-4.6	-3.3	-2.7	-27.9
Other cost of sales	-60.6	-41.7	-17.2	-11.9	-131.4
Gross profit	264.9	141.3	57.2	9.6	473.0

Further analysis of the B2C business by product during the nine-month periods ended 30 September 2024 and 30 September 2023 can be seen below:

GBP m	Nine months ended 30 Sep 2024	Nine months ended 30 Sep 2023
Sports betting	359.0	331.2
Casino & games	496.0	494.9
Poker	26.4	25.5
Other	14.3	16.0
Total Gross winnings revenue	895.7	867.6

7: Intangible assets, property, plant and equipment and right-of-use assets

Nine months ended 30 Sep 2024

GBP m	Goodwill	Other intangible assets	Property, plant & equipment	Right-of-use assets
Opening net book amount 1 Jan 2024	433.4	256.2	15.0	36.9
Additions	-	35.5	3.4	0.6
Disposals	-	-	-	-1.1
Remeasurement of right-of-use assets	-	-	-	0.7
Currency translation adjustment	-10.3	-4.9	-0.7	-1.3
Amortisation / depreciation	-	-32.1	-6.6	-8.9
Closing net book amount at 30 Sep 2024	423.1	254.7	11.1	26.9

Nine months ended 30 Sep 2023

GBP m	Goodwill	Other intangible assets	Property, plant & equipment	Right-of-use assets
Opening net book amount 1 Jan 2023	438.4	270.4	19.1	49.7
Additions	-	32.1	7.0	5.4
Disposals	-	-0.3	-	-0.2
Currency translation adjustment	-7.8	-4.1	-0.9	-1.9
Amortisation / depreciation	-	-28.4	-8.5	-10.3
Closing net book amount at 30 Sep 2023	430.6	269.7	16.7	42.7

At 30 September 2024, the total value of intangible assets attributable to the Relax Gaming CGU amounted to GBP 211.2 (225.7) million, of which GBP 180.9 (187.3) million represented goodwill and other intangible assets with indefinite useful lives. Such intangible assets were tested for impairment on a value-in-use basis at 31 December 2023.

The Board believes that there are no cash-generating units where reasonable possible changes to the underlying assumptions exist that would give rise to an impairment. However, for the Relax Gaming CGU, the Board acknowledges that the model is highly sensitive to changes in any of the key assumptions, including revenue, EBITDA and the risk adjusted discount rate used in the value-in-use calculation at 31 December 2023. Changes to any of these key assumptions, individually or in combination, could lead to the recoverable amount of the cash-generating unit equalling or falling below its carrying amount.

8: Share capital and share premium

GBP m	Number of shares (millions)	Share capital	Share premium	Total
Opening balance 1 Jan 2024	230.1	0.1	81.5	81.6
Increase in issued shares	-	-	-	-
At 30 Sep 2024	230.1	0.1	81.5	81.6

GBP m	Number of shares (millions)	Share capital	Share premium	Total
Opening balance 1 Jan 2023	230.1	0.1	81.5	81.6
Increase in issued shares	-	-	-	-
At 30 Sep 2023	230.1	0.1	81.5	81.6

9: Borrowings

GBP m	30 Sep 2024	30 Sep 2023
Non-current	97.3	153.1
Current	-	-
Total	97.3	153.1

Movements in borrowings are analysed as follows:

GBP m	Borrowings
Opening balance 1 Jan 2024	141.8
Transaction fees	0.3
Drawdown of borrowings	23.9
Repayment of borrowings	-63.5
Translation gain on borrowings	-5.2
At 30 Sep 2024	97.3
Opening balance 1 Jan 2023	135.5
Transaction fees	0.2
Drawdown of borrowings	89.6
Repayment of borrowings	-66.6
Translation loss on borrowings	-5.6
At 30 Sep 2023	153.1

At 30 September 2024, GBP 97.7 (153.9) million of the Group's facilities was utilised out of a total of GBP 214.4 (221.9) million. The existing financing under the facilities agreement is due to run until November 2025. As a result of the announced acquisition by FDJ (see page 4) the Group's existing loans under its loan facility are expected to be refinanced by FDJ. The total borrowings recognised in the statement of financial position of GBP 97.3 (153.1) million are reported net of the associated transaction fees for the facilities agreement which are being expensed over its duration.

10: Dividend

The Board of Directors did not propose a dividend in respect of the financial year 2023.

11: Related party transactions

Related party transactions for the nine-month period January to September 2024 relate solely to Directors' and Executive Committee remuneration. As at the period end, GBP nil (nil) was owed in respect of these services.

Transactions and outstanding balances between the parent and its subsidiaries (direct and indirect), and between those subsidiaries, have been eliminated on consolidation and are not disclosed in this report.

12: Fair value measurements of financial instruments

This note provides an update on the judgements and estimates made by the Group in determining the fair values of the financial instruments since the last annual financial report.

Fair value hierarchy

The Group's financial assets and liabilities measured at fair value through profit and loss have been classified into levels depending on the inputs used in the valuation technique, as follows:

- Level 1: quoted prices for identical instruments;
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

A summary by level is provided below:

	As at September 2024			As at December 2023		
	Level 2	Level 3	Total	Level 2	Level 3	Total
Financial liabilities (GBP m)						
Put/call option liabilities	-	-	-	-	24.7	24.7
Deferred income	-	5.3	5.3	-	5.3	5.3
Derivatives	-	-	-	1.0	-	1.0

Level 2 derivatives consist of foreign currency forward contracts classified as financial assets or financial liabilities at fair value through profit and loss on the balance sheet. Movements on these assets relate to gains and losses recognised in other (losses)/gains in the income statement.

Level 3 derivatives consist solely of deferred income, with movements relating only to minimal fair value changes. At 31 December 2023, level 3 financial liabilities also included the put/call option liabilities in relation to the put/call option arrangement agreed as part of the Relax Gaming acquisition. These liabilities were settled during 2024 – see note 14 for more information.

There were no transfers between the levels of the fair value hierarchy in the nine months to 30 September 2024. There were also no changes made to any of the valuation techniques applied as of 31 December 2023.

13: Contingent liabilities

Currently the Group has not provided for certain potential claims arising from the promotion of gaming activities in certain jurisdictions on the basis that the outflow of resources required to settle these claims is uncertain and the amount cannot be reliably estimated.

The wider gambling industry has been experiencing the legal pursuit of customer claims in relation to legacy operations across a number of European markets, primarily on the basis of arguments regarding the nullity and voidness of the gambling contracts. In the Netherlands, proceedings are at various stages, with an impending referral to the Supreme Court, and by no means has a final legal position been reached. Kindred continues to challenge these claims consistently on the basis of both national and EU law principles and is undertaking the necessary procedural steps to preserve its rights. In the Netherlands, where claims are prevalent and have the potential to be the most meaningful, the referral to the Supreme Court has been sought given the variance in court of first instance rulings and the fundamental legacy policy context which is key to the resolution of these disputes. The majority of court cases have been stayed as a result, removing any immediate enforcement risk. At this stage, the Group is unable to reasonably estimate the likelihood, amount and timing of the outcome of such claims in the Netherlands due to the complexities and uncertainty around this matter.

14: Business combinations

Put/call options on the Relax Gaming acquisition

As part of the Relax Gaming acquisition, a put/call option structure was put in place. This structure allowed the minority shareholders to sell their shares to Kindred, and Kindred to buy their shares, at a pre-agreed time period in the future (beginning in October 2023) and with a pre-defined valuation methodology. In October 2023, certain put/call options were exercised. The transaction was completed in June 2024, resulting in a payment of GBP 24.3 million for the acquisition of those minority interest shares in Relax Gaming. Following the completion of the transaction, Kindred's ownership of Relax Gaming is now over 99 per cent.

15: Events after the reporting period

La Française des Jeux's (FDJ) tender offer to acquire Kindred Group was approved by 91.77 per cent of Kindred Group shareholders. Settlement for Kindred shareholders who have tendered their SDRs to the offer took place from 11 October, and FDJ commenced the squeeze-out procedure on Nasdaq Stockholm. As a result of the acquisition:

- Kindred will exit from markets (including Norway) that do not have a clear path to local regulation in the near future.
- Kindred's existing loans under its current loan facility are expected to be refinanced by FDJ.
- Kindred has recognised any remaining fees due to its advisors within the third quarter numbers. These are recognised in items affecting comparability within strategic review costs and total GBP 30.9 million.

Appendix

Alternative performance measures

The Group presents alternative performance measures because they provide owners and investors with additional information about the performance of the business which the Directors consider to be valuable. Alternative performance measures reported by the Group are not defined terms under IFRS and may therefore not be comparable with similarly titled measures reported by other companies. The below tables reconcile the Group's alternative performance measures relating to unrestricted cash, net cash, underlying EBITDA, EBITDA and free cash flow to the most directly comparable measures reported in accordance with IFRS.

Condensed consolidated balance sheet measures

GBP m	30 Sep 2024	30 Sep 2023	31 Dec 2023
Cash and cash equivalents	216.7	248.8	240.3
Customer balances	-63.3	-75.5	-71.1
Unrestricted cash	153.4	173.3	169.2
Less: Borrowings	-97.3	-153.1	-141.8
Net cash	56.1	20.2	27.4

Condensed consolidated income statement measures

GBP m	Q3		Jan-Sep		Full year
	2024	2023	2024	2023	2023
Underlying EBITDA	63.4	42.6	196.3	147.7	204.5
Personnel restructuring costs	-3.2	-1.8	-4.1	-5.7	-9.6
Regulatory sanctions	-	-	1.5	-	-0.2
Market closure and contract termination costs	-0.6	-5.0	0.3	-7.6	-33.8
Strategic review costs	-30.9	-0.6	-34.4	-2.5	-4.9
Other gains/(losses)	0.8	-1.3	1.8	0.7	-3.4
EBITDA	29.5	33.9	161.4	132.6	152.6
Depreciation of property, plant and equipment	-1.9	-2.6	-6.6	-8.5	-11.1
Depreciation of right-of-use assets	-3.1	-3.4	-8.9	-10.3	-13.8
Amortisation of intangible assets	-10.5	-10.3	-32.1	-28.4	-38.7
Impairment losses	-	-	-0.5	-	-20.8
Profit from operations	14.0	17.6	113.3	85.4	68.2

Condensed consolidated cash flow measures

GBP m	Q3		Jan-Sep		Full year
	2024	2023	2024	2023	2023
Net cash generated from operating activities	8.6	44.6	104.8	102.0	164.0
Purchases of property, plant and equipment	-1.4	-1.3	-3.4	-7.0	-9.6
Development and acquisition costs of intangible assets	-11.1	-9.5	-35.5	-31.7	-45.9
Interest paid on lease liabilities	-0.2	-0.3	-0.7	-0.9	-1.2
Repayment of lease liabilities	-3.4	-3.4	-12.0	-10.7	-13.1
Adjust for: customer balance movement	3.3	-5.6	7.9	4.8	9.1
Free cash flow	-4.2	24.5	61.1	56.5	103.3

Key ratios

	Q3		Jan-Sep		Full year
	2024	2023	2024	2023	2023
Gross winnings revenue from locally regulated	83%	83%	84%	82%	82%
B2C marketing as a % of Gross winnings revenue	19%	23%	19%	22%	22%
Return on average equity, annualised (%)	10%	12%	28%	20%	12%
Underlying EBITDA margin (%)	22%	15%	21%	16%	17%
Net cash / EBITDA, rolling 12-month basis	0.31	0.10	0.31	0.10	0.18
Cash conversion (%)	-7%	58%	31%	38%	51%
Free cash flow per share (GBP)	-0.02	0.11	0.28	0.26	0.48
Earnings per share (GBP)	0.04	0.06	0.40	0.30	0.22
Diluted earnings per share (GBP)	0.04	0.06	0.39	0.30	0.21
Employees at period end	2,317	2,476	2,317	2,476	2,453
Number of shares at period end ¹	230,126,200	230,126,200	230,126,200	230,126,200	230,126,200
Diluted number of shares at period end	231,683,507	231,677,711	231,683,507	231,677,711	232,018,730
Weighted average number of outstanding shares	215,823,132	215,008,254	215,515,376	215,787,233	215,590,888
Weighted average number of diluted outstanding	217,388,253	216,660,720	217,112,279	218,078,366	218,047,809

¹ At 30 September 2024 the total issued shares were 230,126,200. Of these, 14,303,068 shares are held by the Group as a result of previous repurchase programmes.

FX rates and constant currency impact

Balance sheet rates:	30 Sep	30 Sep	YoY Delta
Rate to GBP	2024	2023	
AUD	1.935	1.890	-2.4%
DKK	8.925	8.625	-3.5%
EUR	1.197	1.157	-3.5%
NOK	14.082	13.016	-8.2%
SEK	13.526	13.339	-1.4%
USD	1.340	1.225	-9.4%

Income statement averages for the quarter:

Rate to GBP	Avg Q3	Avg Q3	YoY Delta
	2024	2023	
AUD	1.941	1.934	-0.4%
DKK	8.829	8.670	-1.8%
EUR	1.183	1.163	-1.7%
NOK	13.920	13.267	-4.9%
SEK	13.551	13.685	1.0%
USD	1.300	1.266	-2.7%

Based on the Group's results calculated in constant currency, the estimated foreign exchange impact on the results for the third quarter of 2024 is as follows:

GBP m	Q3
	2024
Revenue	-4.3
Cost of sales / operating expenses	2.6
Underlying EBITDA	-1.7
Foreign currency gain on operating items	1.9
Other items below EBITDA	0.1
Profit after tax	0.3

Operating segmental analysis

These tables are for information only and do not form part of the condensed consolidated financial statements.

The tables below split the Group's gross profit between its B2C business, Kindred Group (excluding Relax Gaming), and its B2B business, Relax Gaming. The numbers for each segment are inclusive of intercompany transactions, which for total Kindred Group numbers are eliminated in the column entitled eliminations.

Q3 2024

GBP m	Kindred Group (B2C excluding Relax Gaming)	Relax Gaming (B2B)	Eliminations	Total
Gross winnings revenue (B2C)	282.4	-	0.7	283.1
Other revenue (B2B)	-	14.3	-2.9	11.4
Total revenue	282.4	14.3	-2.2	294.5
Cost of sales	-126.4	-2.5	2.0	-126.9
Gross profit	156.0	11.8	-0.2	167.6

Period ended 30 Sep 2024

GBP m	Kindred Group (B2C excluding Relax Gaming)	Relax Gaming (B2B)	Eliminations	Total
Gross winnings revenue (B2C)	895.7	-	2.2	897.9
Other revenue (B2B)	-	40.7	-8.8	31.9
Total revenue	895.7	40.7	-6.6	929.8
Cost of sales	-403.3	-7.4	6.2	-404.5
Gross profit	492.4	33.3	-0.4	525.3

Non-Statutory Analysis of Gross Winnings Revenue (B2C)

These tables are for information only and do not form part of the condensed consolidated financial statements.

Gross winnings revenue by region (based on country of residence of customer)

SPORTS BETTING BY REGION	2024			2023			2024 YTD	2023 YTD	2023 FY	
	Q3	Q2	Q1	Q4	Q3	Q2				Q1
Gross winnings revenue (GBP m)										
Western Europe	74.0	97.4	80.2	74.4	61.7	74.9	74.3	251.6	210.9	285.3
Nordics	19.5	27.1	21.1	25.3	19.3	24.8	26.4	67.7	70.5	95.8
Central, Eastern and Southern Europe	6.9	8.3	8.2	8.7	7.4	10.7	12.1	23.4	30.2	38.9
Other	4.8	4.9	6.6	6.5	6.1	6.1	7.4	16.3	19.6	26.1
Total	105.2	137.7	116.1	114.9	94.5	116.5	120.2	359.0	331.2	446.1
Quarterly Year-on-Year & Year-on-Year growth (%)										
Western Europe	20%	30%	8%	-9%	-7%	30%	9%	19%	10%	4%
Nordics	1%	9%	-20%	-6%	-25%	6%	6%	-4%	-5%	-5%
Central, Eastern and Southern Europe	-7%	-22%	-32%	-7%	-20%	18%	9%	-23%	2%	0%
Other	-21%	-20%	-11%	55%	-23%	-20%	0%	-17%	-14%	-4%
Total	11%	18%	-3%	-6%	-13%	19%	8%	8%	4%	1%
OTHER PRODUCT SEGMENTS - CASINO, POKER & OTHER GAMES BY REGION										
OTHER PRODUCT SEGMENTS - CASINO, POKER & OTHER GAMES BY REGION	2024			2023			2024 YTD	2023 YTD	2023 FY	
	Q3	Q2	Q1	Q4	Q3	Q2				Q1
Gross winnings revenue (GBP m)										
Western Europe	108.5	111.0	111.3	111.0	108.0	105.2	99.9	330.8	313.1	424.1
Nordics	46.0	44.5	44.1	47.0	46.0	46.7	50.2	134.6	142.9	189.9
Central, Eastern and Southern Europe	22.2	21.9	21.6	22.3	20.2	22.4	20.2	65.7	62.8	85.1
Other	1.2	2.1	4.5	6.4	6.0	7.5	6.8	7.8	20.3	26.7
Total	177.9	179.5	181.5	186.7	180.2	181.8	177.1	538.9	539.1	725.8
Quarterly Year-on-Year & Year-on-Year growth (%)										
Western Europe	0%	6%	11%	18%	26%	70%	69%	6%	51%	41%
Nordics	0%	-5%	-12%	-8%	-13%	-8%	3%	-6%	-6%	-7%
Central, Eastern and Southern Europe	10%	-2%	7%	10%	11%	31%	21%	5%	21%	18%
Other	-80%	-72%	-34%	-20%	-6%	25%	8%	-62%	9%	0%
Total	-1%	-1%	2%	8%	11%	34%	35%	0%	25%	20%
TOTAL BY REGION										
TOTAL BY REGION	2024			2023			2024 YTD	2023 YTD	2023 FY	
	Q3	Q2	Q1	Q4	Q3	Q2				Q1
Gross winnings revenue (GBP m)										
Western Europe	182.5	208.4	191.5	185.4	169.7	180.1	174.2	582.4	524.0	709.4
Nordics	65.5	71.6	65.2	72.3	65.3	71.5	76.6	202.3	213.4	285.7
Central, Eastern and Southern Europe	29.1	30.2	29.8	31.0	27.6	33.1	32.3	89.1	93.0	124.0
Other	6.0	7.0	11.1	12.9	12.1	13.6	14.2	24.1	39.9	52.8
Total	283.1	317.2	297.6	301.6	274.7	298.3	297.3	897.9	870.3	1,171.9
Share of total (%)										
Western Europe	65%	65%	64%	62%	62%	60%	58%	64%	59%	60%
Nordics	23%	23%	22%	24%	24%	24%	26%	23%	25%	24%
Central, Eastern and Southern Europe	10%	10%	10%	10%	10%	11%	11%	10%	11%	11%
Other	2%	2%	4%	4%	4%	5%	5%	3%	5%	5%
Quarterly Year-on-Year & Year-on-Year growth (%)										
Western Europe	8%	16%	10%	6%	12%	51%	37%	11%	32%	24%
Nordics	0%	0%	-15%	-7%	-17%	-4%	4%	-5%	-6%	-6%
Central, Eastern and Southern Europe	5%	-9%	-8%	5%	0%	26%	16%	-4%	14%	12%
Other	-50%	-49%	-22%	6%	-15%	0%	4%	-40%	-4%	-2%
Total	3%	6%	0%	2%	1%	28%	23%	3%	16%	12%

Non-Statutory Analysis of Gross Winnings Revenue (B2C)

These tables are for information only and do not form part of the condensed consolidated financial statements.

Gross winnings revenue by product segment

TOTAL BY PRODUCT SEGMENT	2024			2023			2024 YTD	2023 YTD	2023 FY	
	Q3	Q2	Q1	Q4	Q3	Q2				Q1
Gross winnings revenue (GBP m)										
Sports betting	105.2	137.7	116.1	114.9	94.5	116.5	120.2	359.0	331.2	446.1
Casino & games	164.2	166.3	167.7	170.3	166.0	169.5	162.1	498.2	497.6	667.9
Poker	8.9	8.8	8.7	8.9	8.1	8.0	9.4	26.4	25.5	34.4
Other products	4.8	4.4	5.1	7.5	6.1	4.3	5.6	14.3	16.0	23.5
Total	283.1	317.2	297.6	301.6	274.7	298.3	297.3	897.9	870.3	1,171.9
Share of total (%)										
Sports betting	37%	43%	39%	38%	34%	39%	40%	40%	38%	38%
Casino & games	58%	53%	56%	57%	61%	57%	55%	55%	57%	57%
Poker	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Other products	2%	1%	2%	2%	2%	1%	2%	2%	2%	2%
Quarterly Year-on-Year & Year-on-Year growth (%)										
Sports betting	11%	18%	-3%	-6%	-13%	19%	8%	8%	4%	1%
Casino & games	-1%	-2%	3%	7%	11%	37%	35%	0%	27%	21%
Poker	10%	10%	-7%	3%	9%	21%	32%	4%	21%	16%
Other products	-21%	2%	-9%	39%	0%	-25%	33%	-11%	0%	10%
Total	3%	6%	0%	2%	1%	28%	23%	3%	16%	12%

Sports betting margins

	2024			2023			2024 YTD	2023 YTD	2023 FY	
	Q3	Q2	Q1	Q4	Q3	Q2				Q1
Sports betting stakes (GBP m)	1,027.0	1,140.0	1,128.3	1,164.7	1,003.8	1,029.6	1,211.6	3,295.3	3,245.0	4,409.7
Sports betting Gross winnings revenue:										
Live betting (GBP m)	58.3	64.2	58.7	60.4	53.0	58.1	64.0	181.2	175.1	235.5
Live betting margin (%)	10.4%	10.8%	10.4%	10.9%	10.0%	10.6%	10.2%	10.5%	10.6%	10.6%
Live betting share (%)	49.7%	42.4%	46.1%	46.9%	50.6%	45.9%	47.6%	45.8%	47.9%	47.6%
Pre-game betting (GBP m)	58.9	87.3	68.6	68.4	51.7	68.4	70.4	214.8	190.5	258.9
Pre-game betting margin (%)	12.6%	16.1%	12.1%	11.2%	11.0%	14.1%	12.0%	13.6%	14.1%	14.1%
Pre-game betting share (%)	50.3%	57.6%	53.9%	53.1%	49.4%	54.1%	52.4%	54.2%	52.1%	52.4%
Total before free bets (GBP m)	117.2	151.5	127.3	128.8	104.7	126.5	134.4	396.0	365.6	494.4
Sports betting margin - before free bets (%)	11.4%	13.3%	11.3%	11.1%	10.4%	12.3%	11.1%	12.0%	11.3%	11.2%
Free bets (GBP m)	-12.0	-13.8	-11.2	-13.9	-10.2	-10.0	-14.2	-37.0	-34.4	-48.3
Total after free bets (GBP m)	105.2	137.7	116.1	114.9	94.5	116.5	120.2	359.0	331.2	446.1
Sports betting margin - after free bets (%)	10.2%	12.1%	10.3%	9.9%	9.4%	11.3%	9.9%	10.9%	10.2%	10.1%

Total margin across all product segments

	2024			2023			2024 YTD	2023 YTD	2023 FY	
	Q3	Q2	Q1	Q4	Q3	Q2				Q1
Total margin all product segments - before free bets (%) ¹	5.9%	6.3%	5.8%	5.7%	5.5%	5.8%	5.7%	6.0%	5.8%	5.8%

¹ Includes sports betting and casino & games but excludes poker rakes and other revenues.

Definitions

B2B: Business-to-Business.

B2C: Business-to-Consumer.

Cash conversion: Free cash flow divided by underlying EBITDA.

EBITDA: Profit from operations before depreciation, amortisation and impairment losses.

Free cash flow per share: Free cash flow (as defined on page 25) divided by the weighted average number of outstanding shares.

Gross winnings revenue: Revenue from the Group's B2C business.

Long-term average sports betting margin: Average sports betting margin, after free bets, over the latest twelve reported quarters.

LTM: Last twelve months prior to each quarter end.

Net cash/(net debt): Total borrowings less unrestricted cash.

Other revenue: Revenue from the Group's B2B business.

Return on average equity (annualised): Profit from operations divided by the average of opening and closing equity for the period.

Underlying EBITDA: EBITDA before personnel restructuring costs, regulatory sanctions, market closure and contract termination costs, strategic review costs, and other gains/(losses).

Underlying EBITDA margin: Underlying EBITDA divided by total revenue.

Unrestricted cash: Total cash at period end less customer balances.

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