

## Kindred Group plc

Interim report January – June 2020 (unaudited)

### Second quarter and first half year highlights

- **Gross winnings revenue amounted to GBP 235.1 (226.2) million for the second quarter of 2020, an increase of 4 per cent, and GBP 484.8 (450.6) million for the first half of 2020.**
- **Underlying EBITDA for the second quarter of 2020 was GBP 51.7 (30.9) million, and GBP 94.2 (62.0) million for the first half of 2020.**
- **Profit before tax for the second quarter of 2020 amounted to GBP 31.3 (14.7) million, and GBP 33.7 (32.4) million for the first half of 2020.**
- **Profit after tax for the second quarter of 2020 amounted to GBP 26.8 (12.5) million, and GBP 27.8 (27.6) million for the first half of 2020.**
- **The profit before tax was impacted by foreign currency gain on operating items of net GBP 1.8 (loss of 2.4) million and foreign currency losses of GBP 5.1 million (Nil) on retranslation of borrowings of which GBP 4.5 million are unrealised translation losses.**
- **Free cash flow for the second quarter of 2020 amounted to GBP 74.3 (12.4) million. GBP 32.8 million of borrowings was repaid in the quarter and the net debt position has improved since the first quarter to GBP 61.0 million as at 30 June 2020.**
- **Earnings per share for the second quarter of 2020 were GBP 0.118 (0.055) and GBP 0.123 (0.122) for the first half of 2020.**
- **Number of active customers during the second quarter was 1,313,399 (1,478,437).**

### “A resilient and adaptable business”

“Gross winnings revenue for the second quarter amounted to GBP 235.1 million, achieving growth of 4 per cent despite the significant disruption to the normal sports calendar. The growth was mainly driven by positive performances across a number of markets as a result of strong focus on product differentiation.”

“The decisive actions taken by Kindred to mitigate the impact of COVID-19 disruption contributed to an increase of 70 per cent in EBITDA during the quarter. The main savings were achieved in marketing, which is logical as most marketing is linked to sports events. Over the coming quarters, we plan to increase our marketing towards normal levels in line with our long-term strategy, but we will manage this process in a cautious way. Betting duties also fell compared to previous quarters, because of the significant impact of sports in the French market, which is subject to the highest tax rates.”

“Our teams around the world have worked incredibly well in the new environment, both in dealing with the challenges from the pandemic and in driving efficiency as our cost reduction programme continues. Kindred remains conscious of the risk of further disruption both to sports and the wider economy, so we will continue to manage the overall cost base carefully.”

“Our US business continues to develop very strongly, despite the loss of offline revenues and the disruption to sports. Gross winnings revenue amounted to GBP 6.0 million for the second quarter, an increase of 131 per cent from the first quarter. After less than a year of operations, the US already accounted for more than 2.5 per cent of the Group’s gross winnings revenue and this share is expected to accelerate in coming quarters, especially as further states go live.”

“In the period up to 19 July 2020, with approximately 20 per cent higher sportsbook margins than in 2019, average Gross winnings revenue in GBP was 40 per cent higher (41 per cent in constant currency) and actives 21 per cent higher than for the same period last year. In the US, the average daily Gross winnings revenue for the period 1 to 19 July 2020 increased by 32 per cent compared to the daily average for the second quarter 2020”, says Henrik Tjärnström, CEO of Kindred Group.

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Today, Friday 24 July 2020, Kindred Group’s CEO Henrik Tjärnström will host a web cast in English at 09.00 CEST on [www.kindredgroup.com/Q22020](http://www.kindredgroup.com/Q22020). For those who would like to participate in the telephone conference in connection with the presentation, the telephone numbers are UK: +44 33 3300 9264 or in the USA: +1 833 526 8380

The Kindred Group operates in locally-regulated markets through its gambling licences in the UK, Sweden, France, Belgium, Denmark, Germany (Schleswig-Holstein), Italy, Australia, Ireland, Romania, Estonia, Pennsylvania, New Jersey and Indiana, as well as other markets internationally through its gambling licences in Malta and Gibraltar. The Kindred Group pays betting duties in all markets in accordance with applicable local laws.

The information in this report is such that Kindred Group plc is required to disclose under the EU Regulation of Market Abuse, MAR.

## Q2 AND FIRST HALF YEAR SUMMARY

This table and the contents of this announcement are unaudited.

GBP	Q2		Jan - June		Full Year	Rolling
	2020	2019	2020	2019	2019	12 months <sup>5</sup>
	GBP 'm	(Restated) GBP 'm	GBP 'm	(Restated) GBP 'm	GBP 'm	GBP 'm
Gross winnings revenue	235.1	226.2	484.8	450.6	912.8	921.7
EBITDA <sup>1</sup>	51.6	30.4	84.1	61.0	128.1	149.3
Underlying EBITDA <sup>2</sup>	51.7	30.9	94.2	62.0	130.0	150.8
Profit before tax	31.3	14.7	33.7	32.4	67.1	83.7
Profit after tax	26.8	12.5	27.8	27.6	56.6	70.9
Unrestricted cash <sup>3*</sup>	102.6	53.1	102.6	53.1	70.4	
Borrowings	163.6	193.7	163.6	193.7	225.4	
Net debt <sup>4*</sup>	61.0	140.6	61.0	140.6	155.0	
	GBP	GBP	GBP	GBP	GBP	GBP
EBITDA <sup>1</sup> per share	0.227	0.134	0.371	0.269	0.565	0.658
Underlying EBITDA <sup>2</sup> per share	0.228	0.136	0.415	0.274	0.574	0.665
Earnings per share	0.118	0.055	0.123	0.122	0.250	0.313
Unrestricted cash <sup>3</sup> per share*	0.446	0.231	0.446	0.231	0.306	
Net debt <sup>4</sup> per share*	0.265	0.611	0.265	0.611	0.674	
	SEK	SEK	SEK	SEK	SEK	SEK
	2020	2019	2020	2019	2019	12 months <sup>5</sup>
	SEK 'm	(Restated) SEK 'm	SEK 'm	(Restated) SEK 'm	SEK 'm	SEK 'm
Gross winnings revenue	2,827.1	2,747.0	5,915.0	5,426.1	11,017.1	149.3
EBITDA <sup>1</sup>	620.5	369.2	1,026.1	734.6	1,546.1	150.8
Underlying EBITDA <sup>2</sup>	621.7	375.2	1,149.3	746.6	1,569.0	83.7
Profit before tax	376.4	178.5	411.2	390.2	809.9	70.9
Profit after tax	322.3	151.8	339.2	332.4	683.1	119.9
Unrestricted cash <sup>3*</sup>	1,180.1	625.6	1,180.1	625.6	864.4	
Borrowings	1,881.7	2,282.2	1,881.7	2,282.2	2,767.7	
Net debt <sup>4*</sup>	701.6	1,656.5	701.6	1,656.5	1,903.2	
	SEK	SEK	SEK	SEK	SEK	SEK
EBITDA <sup>1</sup> per share	2.735	1.629	4.522	3.242	6.821	7.947
Underlying EBITDA <sup>2</sup> per share	2.740	1.656	5.065	3.295	6.922	8.026
Earnings per share	1.420	0.670	1.495	1.467	3.014	3.774
Unrestricted cash <sup>3</sup> per share*	5.128	2.719	5.128	2.719	3.756	
Net debt <sup>4</sup> per share*	3.049	7.198	3.049	7.198	8.270	
	No.	No.	No.	No.	No.	No.
Active customers	1,313,399	1,478,437				
Registered customers (million)	28.4	26.2	28.4	26.2	27.3	

Currency rate Q2 20 average: 1 GBP = 12.025 SEK, Q2 19 average: 1 GBP = 12.144 SEK, 2020 YTD average: 1 GBP = 12.201 SEK, 2019 YTD average: 1 GBP = 12.042 SEK, FY 19 average: 1 GBP = 12.070 SEK, 30 June 2020: 1 GBP = 11.502 SEK, 30 June 2019: 1 GBP = 11.782 SEK, 31 December 2019: 1 GBP = 12.279 SEK

The Kindred Group reports in GBP and the SEK figures presented above are for information only and do not necessarily comply with IFRS. Throughout the report where a comparative number is stated in brackets, this relates to the comparative of the period specified.

\* From and inclusive of 31 December 2019, amounts held in trust in respect of customers are now recognised within cash and cash equivalents (restricted cash) instead of trade and other receivables to better reflect the nature of the funds. The comparatives for 30 June 2019 have therefore been restated, reclassifying GBP 12.0 million to cash and cash equivalents (restricted cash). The metrics which include net debt and unrestricted cash disclosed above for the second quarter of 2019 have been impacted by this change. For more information, see page 9.

### Definition of Alternative Performance Measures

<sup>1</sup> EBITDA = Profit from operations before depreciation & amortisation.

<sup>2</sup> Underlying EBITDA = EBITDA before management incentive costs relating to acquisitions, personnel restructuring costs and disputed regulatory sanction.

<sup>3</sup> Unrestricted cash = Total cash at period end less customer balances.

<sup>4</sup> Net debt = Total borrowings less unrestricted cash.

<sup>5</sup> Rolling 12 months consists of 12 months ended 30 June 2020.

Refer to pages 13 and 15 for reconciliation of the Group's alternative performance measures to the most directly comparable measures reported in accordance with IFRS. The Group presents these 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.



## US

As part of the agreement with Caesars Entertainment, Kindred will launch the Unibet brand into its third US State, Indiana. The launch is scheduled for 30 July 2020, in time for the restart of the US Major Leagues. Following Indiana, Kindred is looking to launch in at least two more states in 2021, starting with Iowa in January 2021 when the in-person registration restriction is lifted, and be live in total 5 states by end of 2021 providing sustainable legislation. In all the states Kindred enters, the objective remains to grow towards high single-digit market share. Pennsylvania is a good example where only six months after the launch, the Unibet brand has grown to 4.5 per cent market share.

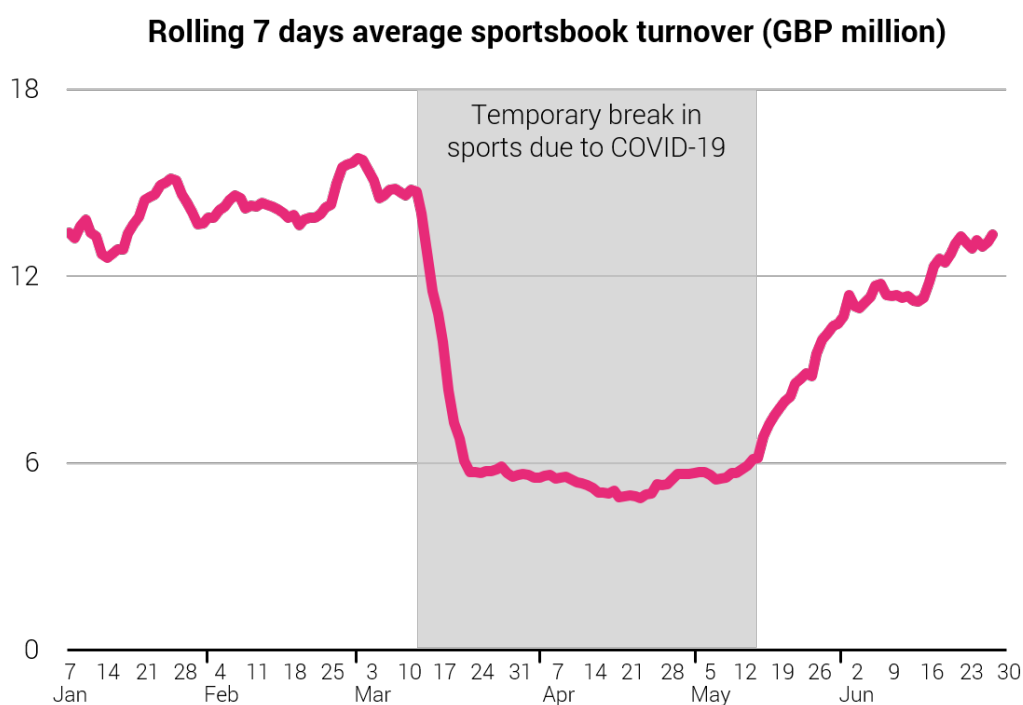
Kindred has continued to grow its market presence in the US. Gross winnings revenue amounted to GBP 6.0 million for the quarter, an increase of 131 per cent from the first quarter of 2020 despite sportsbook and retail revenues having been affected by the COVID-19 pandemic. The negative impact on the underlying EBITDA for the quarter was GBP 2.1 million which includes GBP 1.8 million of marketing investments. The average daily Gross winnings revenue for the period 1- 19 July 2020 increased by 32 per cent compared to the second quarter 2020.

## COVID-19

Kindred already in early March took steps to protect employees and to ensure continuity of operations by adjusting ways of working so that, wherever possible, employees work from home. As a modern technology-based company, this has been achieved with minimum disruption to the business.

Management has continued to consider the potential implications of COVID-19 on the Group's performance and has actively taking measures to control its impact. Management has also continued to assess the Group's ability to continue as a going concern by reviewing updated forecasts, liquidity levels and financial commitments, and monitoring its ability to meet its loan covenants. The Group has a solid financial position with strong liquidity and low leverage and at the end of the second quarter of 2020, it complied with all covenant requirements under the facilities agreement.

Average daily sportsbook turnover has increased rapidly since mid-May and is currently close to pre-COVID-19 levels:



### Significant events during the second quarter of 2020

On 2 April 2020, the Board of Directors of Kindred decided to change the previously communicated proposal on the 2019 dividend due to the uncertainty caused by COVID-19 and to ensure that Kindred is well capitalised for future investment opportunities. The AGM on 12 May 2020 upheld that no dividend was to be paid.

Kindred Group announced the recruitment of Johan Wilsby as Chief Financial Officer. Johan joins Kindred from Tobii and will take on his new role at Kindred during the autumn.

On 13 May 2020, Kindred was awarded a temporary license in Indiana and expects to launch the Unibet sportsbook on 30 July 2020.

### Significant events after the period end

On 1 July 2020, Kindred launched the pay and play product Otto Kasino in Finland.

### Kindred as a sustainable operator

Kindred is dedicated to creating a safe and enjoyable experience in every aspect of their business as this is fundamental to building a sustainable business. Kindred believes a successful business is about future-proofing operations to generate profit and value in the long term. In a sustainable business, profitability and sustainability exist in harmony. For Kindred, this means making continual improvements, taking responsibility for operations and constantly striving for change for the better. Kindred sees great value in delivering sustainable growth and shared value for customers, shareholders and the communities. Kindred's focus on driving a sustainable business ensures that the Group keep their legal and social license to operate and maintain customers' trust in a highly regulated and competitive industry. Maintaining healthy and long-lasting customer relationships whilst also being a positive contributor to the Group's surroundings generates clear competitive advantages.

The Group has set a high bar to their sustainability work, including having long-term visions for their five priority areas and setting long-term ambitions and shorter-term commitments.

Key deliveries of Kindred's sustainability programme in the second quarter of 2020 included:

- Kindred responded to the COVID-19 pandemic with a range of initiatives from brands and employees and by supporting the global campaign #supporterofeachother driven by the European Football for Development Network.
- Kindred launched Fair Sport 4 All, a collaborative anti-match fixing programme designed with the European Football Development Network.
- At Kindred, Cyber Security is a top priority and the Group has been running a bug bounty programme since 2017. In the second quarter of 2020, the Group took this programme public to further enhance the programme.
- Kindred has continued its focus on sustainable customer communication with the conclusion of 32Red's Know your Limits campaign and the launch of a new Unibet campaign on responsible gambling featuring Mika Häkkinen.
- Kindred announced their partnership with Women in Racing, supporting their programme Racing Home. The programme is focused on raising awareness of the issues working mothers in the racing industry face.

Read more about the Group's ambitions in the Kindred Group 2019 Sustainability Report which is available at [www.kindredgroup.com](http://www.kindredgroup.com).



## Current products

### Sports betting

The Kindred Group's pre-game Sports betting and live betting service offers a comprehensive range of odds on a variety of international and local sports events, to a worldwide customer base 24 hours a day, 7 days a week. Bets are placed via the Group's websites and mobile devices.

The Group offered 62,938 live betting events in the second quarter of 2020 and streamed 29,086 events on desktop and mobile devices.

The first half of the second quarter saw the majority of major sports events and leagues affected by COVID-19, however sportsbook mitigations allowed for substantial growth on the remaining football leagues and other sports such as eSoccer, Darts and Table Tennis. The second half of the second quarter saw a return to "normality" with major European leagues such as Bundesliga, Serie A, La Liga and Premier League, all returning to action. Games spread out daily, with greater television coverage and with less cannibalisation than usual has seen large uplifts on these leagues since their return. The restart of UK horse racing and new one off tennis tournaments has seen the sportsbook return to activity levels similar to those before the COVID-19 postponements, enabled by adapting the schedule and reprioritising resources to optimise the offering.

The majority of the Kindred Group's Sports betting business is determined by the seasons for key sports such as the major football leagues in Europe, major golf and tennis tournaments, ice hockey leagues in the Nordic countries and North America and sports and racing in Australia. The seasonality of these events results in fluctuations in the Group's quarterly performance, especially in terms of the amounts staked. However, quarterly results can also vary widely due to the volatility of Gross winnings margins in Sports betting. Please also refer to pages 6 and 7 for more information about the margin.

### Casino & Games

The impact of the COVID-19 lockdown in different countries, and the lack of sports events, led to a significantly increased interest in casino games during the quarter. Kindred has worked with its suppliers to ensure a high-quality level of service continued to be provided during this high activity period. On top of this, focus has also placed on providing the customer with new game concepts in order to maintain a unique player experience.

### Poker

During the quarter, Kindred saw increased interest in its Poker product as a result of the COVID-19 lockdown in many countries and in April reached a monthly revenue "all-time high". As a result, Kindred focussed on the optimisation of the tournament schedule to fulfil player needs, whilst also improving the product offering and adding a new game, "HexaPro Banzai" (a faster version of HexaPro).

### Bingo

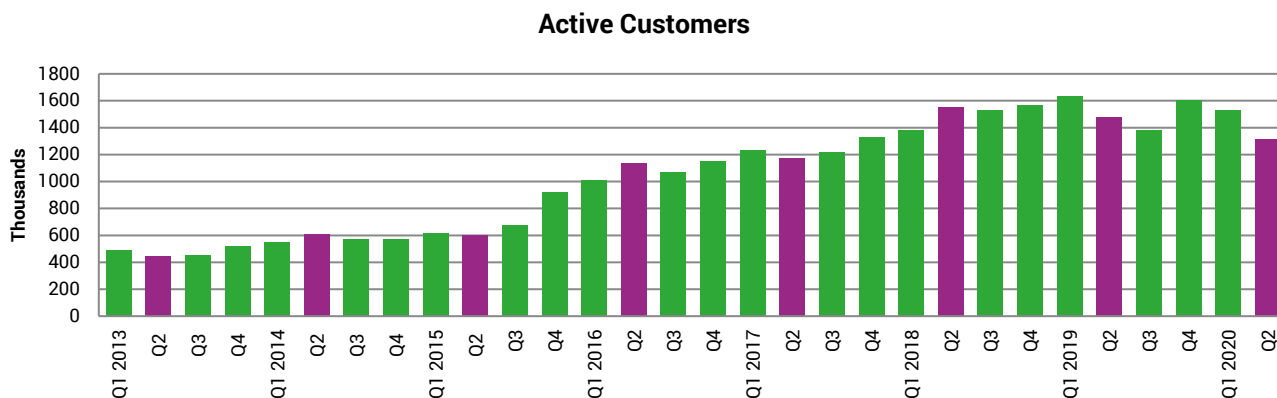
As with other gaming products, interest in Bingo also increased significantly during the quarter. The main focus in the quarter has been on the development of an innovative bingo game format with a planned August release date, and on the design of an improved and optimised reward and loyalty system to go live on 1 January 2021.



## Customers

The total number of registered customers has continued to increase and amounted to over 28.4 (26.2) million at 30 June 2020, whilst at 31 March 2020, over 27.9 million customers were registered.

For the second quarter of 2020 the number of active customers amounted to 1,313,399 (1,478,437), compared with 1,531,302 for the first quarter of 2020. An active customer is defined as one placing a bet in the last three months.



## Financial review

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 Report and Accounts for the year ended 31 December 2019.

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

### Gross winnings revenue

Gross winnings revenue on Sports betting represents the net receipt of bets and payouts for the financial period, as reduced for Free Bets granted. Free Bets are bonuses granted or earned in connection with customer acquisition and retention.

Gross winnings revenue for Sports betting amounted to GBP 67.5 (108.9) million for the second quarter of 2020. For the first half of 2020, Gross winnings revenue for Sports betting amounted to GBP 190.0 (215.4) million.

In the second quarter of 2020, live betting accounted for 59.0 (57.9) per cent of turnover on Sports betting and 43.3 (50.2) per cent of Gross winnings revenue on Sports betting.

Gross winnings revenue for other products amounted to GBP 167.6 (117.3) million for the second quarter of 2020. For the first half of 2020, Gross winnings revenue for other products amounted to GBP 294.8 (235.2) million. Please refer to pages 19 and 20 for more information on Gross winnings revenue by region and product.

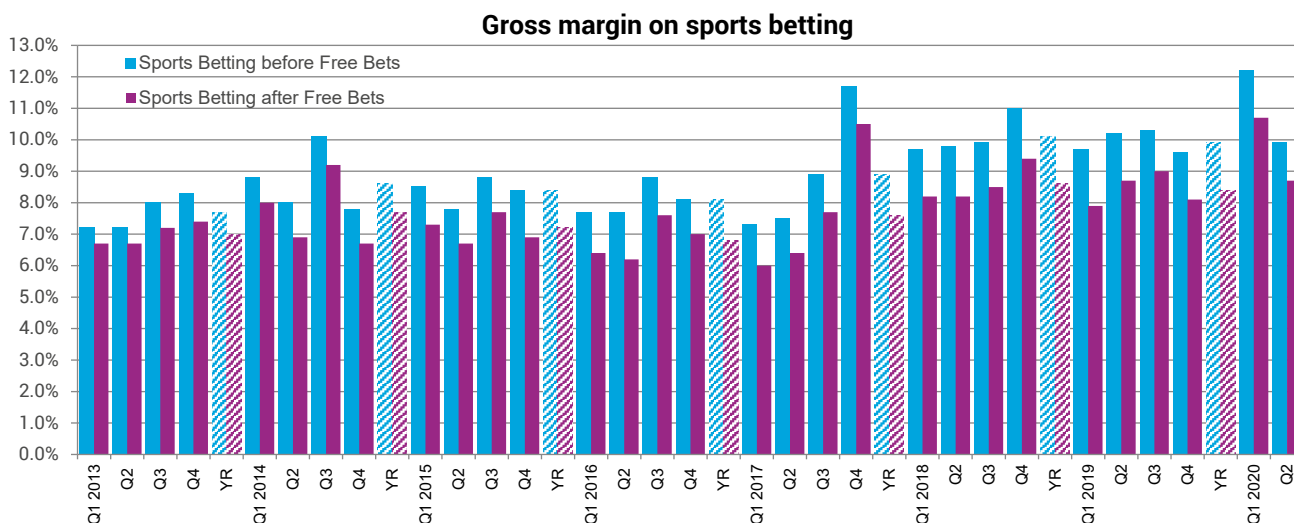
### Gross margin on Sports betting

The gross margin for pre-game Sports betting before Free Bets for the second quarter of 2020 was 13.7 (12.0) per cent.

The gross margin for total Sports betting for the second quarter of 2020 before Free Bets was 9.9 (10.2) per cent. The gross margin for total Sports betting for the second quarter of 2020 after Free Bets was 8.7 (8.7) per cent. Please refer to page 20 for more information on Sports betting margins.



In recent years the typical average sports betting margin for the Group has increased. This is generally due to the fact that the French sports business has grown faster than the average growth for other markets and, like all operators, Kindred is required to cap pay-out to customers at 85 per cent. However, Sports betting gross margins can vary quite significantly from one quarter to the next, depending on the outcome of sporting events. It is expected that over time these margins will even out. This can be seen in the graph below. The bars show total Sports betting gross margin by quarter and full year.



### Cost of sales

Cost of sales includes betting duties, marketing revenue share and other costs of sales. For the second quarter of 2020 betting duties were GBP 43.5 (48.3) million and marketing revenue share amounted to GBP 12.3 (11.5) million. The betting duties for the first half of 2020 were GBP 98.1 (100.5) million and marketing revenue share for the first half of 2020 amounted to GBP 25.3 (24.8) million. Betting duties decreased from the same period in the prior year because of the significant impact of sports in the French market, which is subject to the highest tax rates.

### Gross profit

Gross profit for the second quarter of 2020 was GBP 139.9 (129.3) million. Gross profit for the first half of 2020 was GBP 280.6 (249.6) million.

### Operating costs (marketing and administrative expenses)

Operating costs include all indirect costs of running the business and are a combination of activity-related and fixed costs such as marketing, salaries and other administrative expenses.

During the second quarter of 2020, operating costs were GBP 102.8 (108.4) million. Of these operating costs, GBP 44.2 (53.2) million were marketing costs and GBP 29.7 (23.9) million were salaries. Even though the number of employees in the group reduced by 4 per cent compared to 31 March 2020 as a result of the actions previously announced, salary and related costs for the quarter increased as a result of a significant increase in the vacation pay accrual, higher variable compensation driven by the strong result and a lower than normal capitalisation of development costs.

During the first half of 2020, operating costs were GBP 212.2 (211.5) million. Of these operating costs, GBP 96.6 (106.8) million were marketing costs and GBP 56.2 (46.7) million were salaries.



**FX rates**

The net foreign exchange impact of the Kindred Group's main trading currencies against its reporting currency of GBP is shown in the tables below.

<b>Balance sheet rates:</b>			
<b>Rate to GBP</b>	<b>30-Jun-20</b>	<b>30-Jun-19</b>	<b>YoY Delta</b>
AUD	1.791	1.812	1.2%
DKK	8.168	8.325	1.9%
EUR	1.096	1.115	1.7%
NOK	11.959	10.812	-10.6%
SEK	11.502	11.782	2.4%
USD	1.227	1.269	3.3%

<b>Income statement averages for the quarter:</b>			
<b>Rate to GBP</b>	<b>Avg Q2 20</b>	<b>Avg Q2 19</b>	<b>YoY Delta</b>
AUD	1.893	1.836	-3.1%
DKK	8.412	8.542	1.5%
EUR	1.128	1.144	1.4%
NOK	12.430	11.113	-11.9%
SEK	12.025	12.144	1.0%
USD	1.241	1.286	3.5%

The net foreign exchange impact of the Kindred Group's main trading currencies against its reporting currency of GBP is shown in the table above. While this has no material impact on the underlying development of the Kindred Group's business, it does affect the reported results when translated into GBP.

The weighted average impact of GBP against the Kindred Group's main currencies on Gross winnings revenue was less than 1 per cent in the second quarter of 2020 compared to the same period of 2019.

**EBITDA and Profit from operations**

Earnings before interest, tax, depreciation and amortisation (EBITDA) for the second quarter of 2020 was GBP 51.6 (30.4) million and for the first half of 2020, was GBP 84.1 (61.0) million.

Underlying EBITDA for the second quarter of 2020 was GBP 51.7 (30.9) million and for the first half of 2020, was GBP 94.2 (62.0) million.

Profit from operations for the second quarter of 2020 was GBP 37.4 (16.5) million and for the first half of 2020, was GBP 44.7 (34.9) million.

**Items affecting comparability**

Items affecting comparability amounted to a positive contribution of GBP 0.3 (negative contribution of GBP 4.4) million for the quarter and included management incentive costs relating to acquisitions, personnel restructuring costs, amortisation of acquired intangible assets and foreign currency gains and losses on operating items.

Amortisation of intangible assets that arose on acquisition is the charge for assets that have arisen under IFRS 3 Business Combinations over their useful economic life and is included as part of the Group's total amortisation charge. For the second quarter of 2020 this amounted to GBP 1.4 (1.5) million.

**Net finance costs/income and foreign currency loss/gain on loan**

Net finance costs for the second quarter of 2020 were GBP 1.6 (1.8) million. Net finance costs for the first half of 2020 were GBP 3.2 (3.1) million. This primarily comprises interest and fees on borrowings which amounted to GBP 1.3 (1.2) million for the second quarter of 2020 and GBP 2.7 (2.3) million for the first half of 2020.

The foreign currency gains and losses on the loan refer to the revaluation of the Group's multicurrency facilities. During the second quarter of 2020, foreign exchange losses of GBP 5.1 million on retranslation of borrowings were recognised of which GBP 4.5 million were accounting unrealised loss. For the first half of 2020 the impact





was a loss of GBP 8.6 million of which GBP 7.6 million are accounting unrealised losses. Hedge accounting is currently being considered to mitigate the risk of exposure to foreign currency movements.

**Profit before tax**

Profit before tax for the second quarter of 2020 was GBP 31.3 (14.7) million. Profit before tax for the first half of 2020 was GBP 33.7 (32.4) million.

**Profit after tax**

Profit after tax for the second quarter of 2020 was GBP 26.8 (12.5) million. Profit after tax for the first half of 2020 was GBP 27.8 (27.6) million. As some of the items affecting comparability recognised in the first quarter are not tax deductible, the effective tax rate for the first half of 2020 has slightly increased.

**Development and acquisition costs of intangible assets**

Intangible assets comprise development costs, computer software and licenses. In the second quarter of 2020 intangible assets of GBP 5.3 (7.6) million have been capitalised, bringing the total capitalised for the first half of 2020 to GBP 10.8 (20.0) million.

Capitalised development costs primarily represent capitalised salary costs for those working on the development and enhancement of the platform. Capitalised development costs for the second quarter of 2020 were GBP 5.2 (6.4) million, bringing the total capitalised for the first half of 2020 to GBP 10.6 (12.5) million. During 2020 this development is driving economic benefit through customer experience improvements, local licensing requirements, data analytics and information mining.

**Financial position**

During 2019, Kindred Group plc entered into a new syndicated multicurrency facilities agreement with several Nordic banks. The facilities comprise a GBP 120.0 million bullet term loan and a GBP 160.0 million revolving loan facility, both repayable at the end of the 3-year facility term on 23 July 2022.

As at 30 June 2020, GBP 163.6 (193.7) million of the facilities was utilised out of a total of GBP 280.0 (202.3) million. Net debt/EBITDA (rolling 12-month basis) for the second quarter of 2020 was 0.409 (0.803).

Cash and cash equivalents at the end of the second quarter of 2020 stood at GBP 172.8 (121.2) million while at the beginning of the quarter it was GBP 117.1 (124.0) million. Please refer to page 15 for further detail on the unrestricted cash balance.

From and inclusive of 31 December 2019, amounts held in trust in respect of customers are now recognised within cash and cash equivalents (restricted cash) instead of trade and other receivables to better reflect the nature of the funds. This change means that the comparatives at 30 June 2019 have been restated, reclassifying GBP 12.0 million to cash and cash equivalents (restricted cash). This change also ensures that the net debt calculation correctly includes these funds in order to match their corresponding customer balances, which have always been included within net debt.

**Cash flow**

The restatement detailed above also has an impact on the cash flow as all relevant 2018 and 2019 balance sheet comparatives (opening and closing balances) have been restated, impacting both the movement in trade and other receivables and cash and cash equivalents for all periods presented in the consolidated cash flow. For the second quarter of 2019 the impact on the above cash flows was an increase of GBP 0.6 million as a result of the restatement, and for the first half of 2019 the impact was a decrease of GBP 2.0 million.

In the second quarter of 2020, net cash generated from operating activities amounted to GBP 95.5 (25.2) million. This considerable increase of GBP 70.3 million from the same period in the prior year is the result of the improved underlying performance as well as positive net working capital movement which was up GBP 42.2 million. The positive net working capital movement is attributable to the timings of supplier and tax payments, some of which have been deferred as a result of agreements with the relevant counterparties due to the COVID-19 situation.



Cash flows used in investing activities were GBP 8.0 (13.7) million for the second quarter of 2020. The decrease from the same period of 2019 are due to the reduction in capital investments made. This is following both the final push during the first half of 2019 to kit out the Group's new office spaces, which are now complete, as well as the purchase of significant US gaming licences relevant to 2019 only.

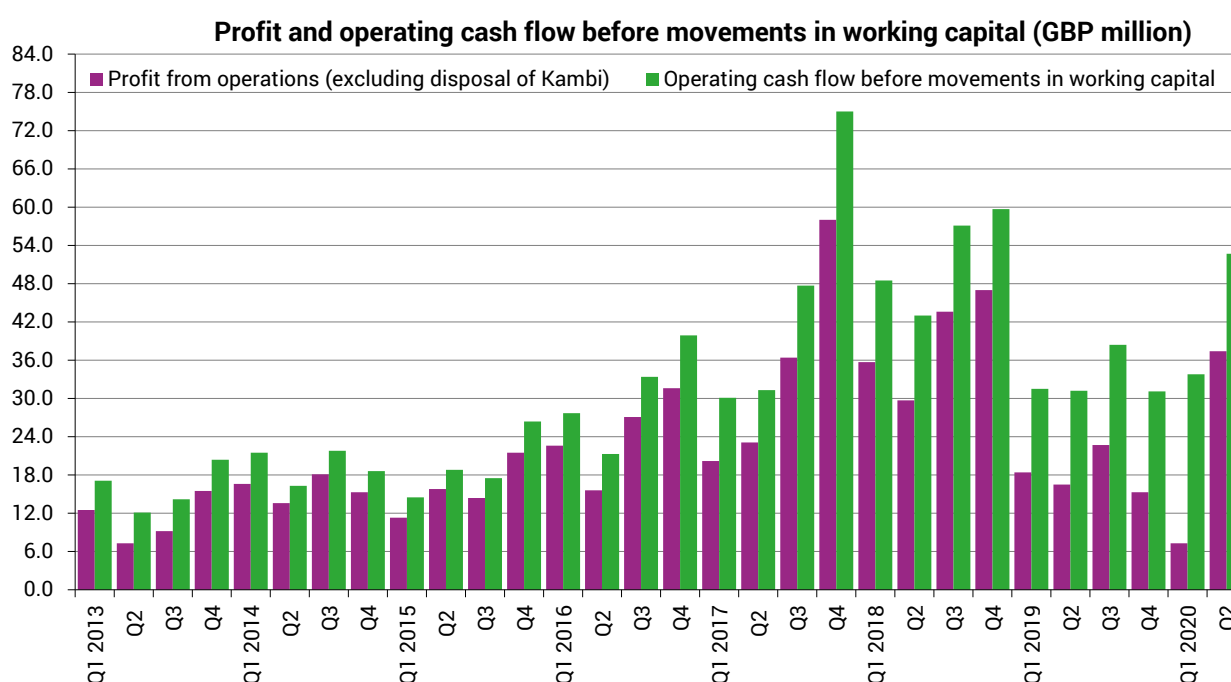
Other significant cash movements during the quarter were the repayment of GBP 32.8 (15.0) million of borrowings.

Free cash flow, as defined below, for the second quarter of 2020 was GBP 74.3 (12.4) million, an increase of GBP 61.9 million from the second quarter of 2019. This is predominantly due to the increase of GBP 70.3 million in net cash generated from operating activities as explained above. See below for a reconciliation of free cash flow from net cash generated from operating activities.

FREE CASH FLOW RECONCILIATION	Unaudited	Unaudited	Unaudited	Unaudited	Audited
GBP 'm	Q2	Q2	Jan - June	Jan - June	Full Year
	2020 <sup>1</sup>	2019 <sup>1</sup>	2020 <sup>1</sup>	2019 <sup>1</sup>	2019 <sup>1</sup>
<b>Net cash generated from operating activities</b>	<b>95.5</b>	<b>25.2</b>	<b>119.4</b>	<b>46.6</b>	<b>120.3</b>
Interest paid on lease liabilities	-0.3	-0.4	-0.6	-0.6	-1.2
Purchases of property, plant and equipment	-1.7	-4.9	-2.8	-10.5	-15.6
Proceeds from sale of property, plant and equipment	-	0.1	-	0.1	0.1
Development and acquisition costs of intangible assets	-5.3	-7.6	-10.8	-20.0	-41.4
Repayment of lease liabilities	-3.0	-1.9	-5.8	-4.5	-8.6
Adjust for: customer balance movement	-10.9	1.9	-2.8	-5.8	-5.1
<b>Free cash flow</b>	<b>74.3</b>	<b>12.4</b>	<b>96.6</b>	<b>5.3</b>	<b>48.5</b>

<sup>1</sup> The 2019 and the Q1 2020 free cash flow calculations have been updated to remove certain items affecting comparability which are included within Net cash generated from operating activities.

The quarterly profit from operations and operating cash flow before movements in working capital is shown in the graph below.



## Employees

The Kindred Group had 1,633 (1,608) employees at 30 June 2020, compared with 1,697 employees at 31 March 2020. At 30 June 2020, Kindred Group had 129 consultants.

## Share based incentive programme

On 3 July 2017, Kindred Group granted new performance share awards to senior managers and key employees. These grants would vest subject to the Group achieving business performance targets over the three financial years 2017 – 2019 and continued employment.

On 6 July 2020 the 2017 PSP grant vested on a partial basis as the agreed targets for the business performance conditions set for the period covering the three financial years 2017 – 2019 were not fully met.

The results for the 2017 PSP are summarised below:

Performance Conditions	Achievement vs Target Over 2017-19	PSP Result
EBITDA	96.7%	86.6%
Gross contribution	98.3%	94.6%
Free cash flow per share	101.7%	100.0% (capped)

Of the 423,197 share awards initially granted under the scheme on 3 July 2017, the total number of share awards which vested on 6 July 2020 was 255,163 (60.3 percent of initial grant), using 255,163 SDRs from the Kindred Group's share buy-back programme.

Following the vesting of these awards, 2,971,358 SDRs from the share buy-back programmes continue to be held by Kindred Group. The total amount of issued shares in Kindred Group plc is 230,126,200 ordinary shares with a par value of GBP 0.000625.

## Brexit

On 31 January 2020, the UK left the European Union (EU). Kindred continues to review its operations to fully understand and mitigate any risks associated with a 'no-deal' Brexit. There is an insignificant impact on its current operational footprint, but Kindred continues to carefully monitor progress of trade deal negotiations between the UK and the EU during 2020.

## Principal risks

The Kindred Group manages strategic, operational and financing risks on a group-wide basis. The principal risks affecting the Group are market risks, foreign exchange risks, credit risks and legal risks. Further details of the Group's risk management and risks arising from the legal environment can be found on pages 29 to 31 and pages 75 to 76 of the Annual Report for the year ended 31 December 2019 available from [www.kindredgroup.com](http://www.kindredgroup.com). There have been no other significant changes in any risks identified since the prior year end.



**Forthcoming financial reporting timetable**

Interim Report January – September 2020	6 November 2020
Full Year Report 2020	10 February 2021
Interim Report January – March 2021	28 April 2021
Interim Report January – June 2021	28 July 2021
Interim Report January – September 2021	27 October 2021

The Board of Directors and the CEO certify that the interim report gives a fair reflection of the Group's operations, financial position and results of operations, and describes significant risks and uncertainties facing the Group.

Malta, 24 July 2020

Henrik Tjärnström  
CEO

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*This report is unaudited.*

*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.*

*Kindred Group plc*

*Level 6, The Centre, Tigne Point, Sliema, TPO 0001 Malta.*

*Registered office: c/o Camilleri Preziosi, Level 2, Valletta Buildings, South Street, Valletta, Malta.*

*Registered in Malta. Company number C 39017*



CONSOLIDATED INCOME STATEMENT GBP 'm	Unaudited Q2 2020	Unaudited Q2 2019	Unaudited Jan - June 2020	Unaudited Jan - June 2019	Audited Full Year 2019
<b>Continuing operations:</b>					
<b>Gross winnings revenue</b>	<b>235.1</b>	226.2	<b>484.8</b>	450.6	<b>912.8</b>
Betting duties	-43.5	-48.3	-98.1	-100.5	-204.3
Marketing revenue share	-12.3	-11.5	-25.3	-24.8	-48.8
Other cost of sales	-39.4	-37.1	-80.8	-75.7	-151.1
<b>Cost of sales</b>	<b>-95.2</b>	<b>-96.9</b>	<b>-204.2</b>	<b>-201.0</b>	<b>-404.2</b>
<b>Gross profit</b>	<b>139.9</b>	<b>129.3</b>	<b>280.6</b>	<b>249.6</b>	<b>508.6</b>
Marketing costs	-44.2	-53.2	-96.6	-106.8	-210.9
Salaries <sup>1</sup>	-29.7	-23.9	-56.2	-46.7	-96.1
Other operating expenses	-16.1	-18.9	-33.6	-34.9	-73.6
Depreciation of property, plant and equipment	-3.8	-3.8	-7.5	-7.4	-14.9
Depreciation of right-of-use assets	-2.8	-2.7	-5.5	-4.5	-10.1
Amortisation (excluding on assets arising on acquisition)	-6.2	-5.9	-12.8	-11.2	-24.3
Total administrative expenses	-58.6	-55.2	-115.6	-104.7	-219.0
<b>Underlying profit before items affecting comparability:</b>	<b>37.1</b>	<b>20.9</b>	<b>68.4</b>	<b>38.1</b>	<b>78.7</b>
Management incentive costs relating to acquisitions	-0.1	-0.1	-0.2	-0.1	-0.2
Personnel restructuring costs <sup>1</sup>	-0.0	-0.4	-1.9	-0.9	-1.7
Disputed regulatory sanction	-	-	-8.0	-	-
Accelerated amortisation of acquired intangible assets	-	-	-10.8	-	-2.0
Amortisation of intangible assets that arose on acquisition	-1.4	-1.5	-2.8	-3.0	-5.9
Foreign currency gain/(loss) on operating items	1.8	-2.4	-0.0	0.8	2.0
<b>Profit from operations</b>	<b>37.4</b>	<b>16.5</b>	<b>44.7</b>	<b>34.9</b>	<b>70.9</b>
Finance costs	-1.7	-1.9	-3.4	-3.3	-7.0
Finance income	0.1	0.1	0.2	0.2	0.4
Foreign currency (loss)/gain on loan	-5.1	-	-8.6	0.5	2.9
Share of profit/(loss) from associates	0.6	-0.0	0.8	0.1	-0.1
<b>Profit before tax</b>	<b>31.3</b>	<b>14.7</b>	<b>33.7</b>	<b>32.4</b>	<b>67.1</b>
Income tax expense	-4.5	-2.2	-5.9	-4.8	-10.5
<b>Profit after tax</b>	<b>26.8</b>	<b>12.5</b>	<b>27.8</b>	<b>27.6</b>	<b>56.6</b>
Earnings per share (GBP)	<b>0.118</b>	0.055	<b>0.123</b>	0.122	<b>0.250</b>
Weighted average number of outstanding shares	<b>226,899,679</b>	226,593,080	<b>226,899,679</b>	226,593,069	<b>226,669,514</b>
Diluted earnings per share (GBP)	<b>0.117</b>	0.055	<b>0.121</b>	0.121	<b>0.248</b>
Weighted average number of diluted outstanding shares	<b>228,855,619</b>	228,237,074	<b>228,855,619</b>	228,246,379	<b>228,384,165</b>
<b>CONSOLIDATED INCOME STATEMENT MEASURES</b>					
<b>Profit from operations</b>	<b>37.4</b>	<b>16.5</b>	<b>44.7</b>	<b>34.9</b>	<b>70.9</b>
Depreciation of property, plant and equipment	3.8	3.8	7.5	7.4	14.9
Depreciation of right-of-use assets	2.8	2.7	5.5	4.5	10.1
Amortisation of intangible assets	7.6	7.4	26.4	14.2	32.2
<b>EBITDA</b>	<b>51.6</b>	<b>30.4</b>	<b>84.1</b>	<b>61.0</b>	<b>128.1</b>
Management incentive costs relating to acquisitions	0.1	0.1	0.2	0.1	0.2
Personnel restructuring costs	0.0	0.4	1.9	0.9	1.7
Disputed regulatory sanction	-	-	8.0	-	-
<b>Underlying EBITDA</b>	<b>51.7</b>	<b>30.9</b>	<b>94.2</b>	<b>62.0</b>	<b>130.0</b>
Gross winnings revenue	235.1	226.2	484.8	450.6	912.8
<b>EBITDA margin</b>	<b>22%</b>	<b>13%</b>	<b>17%</b>	<b>14%</b>	<b>14%</b>

<sup>1</sup> The amount for the second quarter of 2019 has been updated to include the reclassification of GBP 0.4 million of personnel restructuring costs from salaries. This reclassification was initially made in the report for the fourth quarter of 2019 and included the figures for the full year 2019. For this reason, the reclassification is now being reflected in the relevant quarter to ensure all comparative figures are directly comparable.



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME GBP 'm	Unaudited Q2 2020	Unaudited Q2 2019	Unaudited Jan - June 2020	Unaudited Jan - June 2019	Audited Full Year 2019
<b>Profit after tax</b>	<b>26.8</b>	12.5	<b>27.8</b>	27.6	<b>56.6</b>
<b>Other comprehensive income</b>					
Currency translation adjustments taken to equity	<b>8.8</b>	6.9	<b>12.2</b>	-3.2	<b>-8.6</b>
<b>Total comprehensive income for the period</b>	<b>35.6</b>	<b>19.4</b>	<b>40.0</b>	<b>24.4</b>	<b>48.0</b>



CONSOLIDATED BALANCE SHEET	Unaudited	Unaudited	Audited
GBP 'm	30 Jun	(Restated)	31 Dec
	2020	2019	2019
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	277.1	281.6	275.3
Other intangible assets	152.1	157.5	159.7
Investment in associates	2.6	1.9	1.8
Property, plant and equipment	33.4	40.3	36.6
Right-of-use assets	60.6	70.9	64.1
Deferred tax assets	25.3	15.8	23.5
Convertible bond	6.9	6.7	6.5
Other non-current assets	2.3	2.3	2.2
	<b>560.3</b>	<b>577.0</b>	<b>569.7</b>
<b>Current assets</b>			
Trade and other receivables <sup>1</sup>	49.7	48.6	46.8
Taxation recoverable	40.9	43.0	41.5
Cash and cash equivalents <sup>1</sup>	172.8	121.2	137.8
	<b>263.4</b>	<b>212.8</b>	<b>226.1</b>
<b>Total assets</b>	<b>823.7</b>	<b>789.8</b>	<b>795.8</b>
<b>Equity and liabilities</b>			
<b>Capital and reserves</b>			
Share capital	0.1	0.1	0.1
Share premium	81.5	81.5	81.5
Currency translation reserve	20.2	13.4	8.0
Reorganisation reserve	-42.9	-42.9	-42.9
Retained earnings	217.3	212.2	187.3
<b>Total equity</b>	<b>276.2</b>	<b>264.3</b>	<b>234.0</b>
<b>Non-current liabilities</b>			
Borrowings	163.6	76.3	225.4
Lease liabilities	49.2	59.2	53.3
Deferred tax liabilities	6.1	4.3	5.9
	<b>218.9</b>	<b>139.8</b>	<b>284.6</b>
<b>Current liabilities</b>			
Borrowings	-	117.4	-
Lease liabilities	12.1	11.1	11.7
Trade and other payables	184.1	124.9	138.4
Customer balances	70.2	68.1	67.4
Deferred income	5.5	3.6	5.9
Tax liabilities	56.7	60.6	53.8
	<b>328.6</b>	<b>385.7</b>	<b>277.2</b>
<b>Total liabilities</b>	<b>547.5</b>	<b>525.5</b>	<b>561.8</b>
<b>Total equity and liabilities</b>	<b>823.7</b>	<b>789.8</b>	<b>795.8</b>

CONSOLIDATED BALANCE SHEET MEASURES			
Borrowings	163.6	193.7	225.4
Customer balances	70.2	68.1	67.4
Cash and cash equivalents <sup>1</sup>	-172.8	-121.2	-137.8
<b>Less: Unrestricted cash</b>	<b>-102.6</b>	<b>-53.1</b>	<b>-70.4</b>
<b>Net debt</b>	<b>61.0</b>	<b>140.6</b>	<b>155.0</b>

<sup>1</sup> From and inclusive of 31 December 2019, amounts held in trust in respect of customers are now recognised within cash and cash equivalents (restricted cash) instead of trade and other receivables to better reflect the nature of the funds. The comparatives for 30 June 2019 have therefore been restated, reclassifying GBP 12.0 million to cash and cash equivalents (restricted cash). The metrics which include net debt and unrestricted cash disclosed above have been impacted by this change for all comparative periods presented. For more information, see page 9.



CONSOLIDATED CASH FLOW STATEMENT	Unaudited	Unaudited (Restated)	Unaudited	Unaudited (Restated)	Audited
GBP 'm	Q2 2020	Q2 2019	Jan - June 2020	Jan - June 2019	Full Year 2019
<b>Operating activities</b>					
Profit from operations	37.4	16.5	44.7	34.9	70.9
Adjustments for:					
Depreciation of property, plant and equipment	3.8	3.8	7.5	7.4	14.9
Depreciation of property, plant and equipment - right-of-use assets	2.8	2.7	5.5	4.5	10.1
Amortisation of intangible assets	7.6	7.4	26.4	14.2	32.2
Loss on disposal of intangible assets	0.0	-	0.2	-	0.0
Loss on disposal of property, plant & equipment	0.0	0.1	0.0	0.1	0.1
FX loss on dividend	-	-0.4	-	-0.4	-0.4
Share-based payments	0.6	0.6	1.2	1.0	2.4
Equity settled employee benefit plan	0.5	0.5	1.0	1.0	2.0
<b>Operating cash flows before movements in working capital</b>	<b>52.7</b>	<b>31.2</b>	<b>86.5</b>	<b>62.7</b>	<b>132.2</b>
Decrease/(increase) in trade and other receivables <sup>1</sup>	7.2	-2.5	-6.5	-9.6	-6.9
Increase in trade and other payables, including customer balances	36.4	3.9	42.7	4.4	21.9
<b>Cash flows from operating activities</b>	<b>96.3</b>	<b>32.6</b>	<b>122.7</b>	<b>57.5</b>	<b>147.2</b>
Net income taxes paid	-0.8	-7.4	-3.3	-10.9	-26.9
<b>Net cash generated from operating activities</b>	<b>95.5</b>	<b>25.2</b>	<b>119.4</b>	<b>46.6</b>	<b>120.3</b>
<b>Investing activities</b>					
Interest received	0.4	0.2	0.4	0.2	0.3
Interest paid	-1.4	-1.5	-2.9	-3.2	-6.6
Purchases of property, plant and equipment	-1.7	-4.9	-2.8	-10.5	-15.6
Proceeds from sale of property, plant and equipment	-	0.1	-	0.1	0.1
Development and acquisition costs of intangible assets	-5.3	-7.6	-10.8	-20.0	-41.4
<b>Net cash used in investing activities</b>	<b>-8.0</b>	<b>-13.7</b>	<b>-16.1</b>	<b>-33.4</b>	<b>-63.2</b>
<b>Financing activities</b>					
Repayment of lease liabilities	-3.0	-1.9	-5.8	-4.5	-8.6
Interest paid on lease liabilities	-0.3	-0.4	-0.6	-0.6	-1.2
Dividend paid	-	-56.2	-	-56.2	-112.5
Proceeds from borrowings	-	57.6	-	57.6	130.0
Repayment of borrowings	-32.8	-15.0	-69.5	-59.2	-92.8
<b>Net cash used in financing activities</b>	<b>-36.1</b>	<b>-15.9</b>	<b>-75.9</b>	<b>-62.9</b>	<b>-85.1</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>51.4</b>	<b>-4.4</b>	<b>27.4</b>	<b>-49.7</b>	<b>-28.0</b>
<b>Cash and cash equivalents at beginning of period<sup>1</sup></b>	<b>117.1</b>	<b>124.0</b>	<b>137.8</b>	<b>174.3</b>	<b>174.3</b>
Effect of foreign exchange rate changes	4.3	1.6	7.6	-3.4	-8.5
<b>Cash and cash equivalents at end of period<sup>1</sup></b>	<b>172.8</b>	<b>121.2</b>	<b>172.8</b>	<b>121.2</b>	<b>137.8</b>

<sup>1</sup> From and inclusive of 31 December 2019, amounts held in trust in respect of customers are now recognised within cash and cash equivalents (restricted cash) instead of trade and other receivables to better reflect the nature of the funds. The relevant 2018 and 2019 balance sheet comparatives have been restated, impacting both the movement in trade and other receivables and cash and cash equivalents for the second quarter and first half of 2019 in the consolidated cash flow above. For the second quarter of 2019 the impact on the above cash flows was an increase of GBP 0.6 million as a result of the restatement, and for the first half of 2019 the impact was a decrease of GBP 2.0 million. For more information, see page 9.





CONSOLIDATED STATEMENT OF CHANGES IN EQUITY GBP 'm	Unaudited Q2 2020	Unaudited Q2 2019	Unaudited Jan - June 2020	Unaudited Jan - June 2019	Audited Full Year 2019
<b>Opening balance at beginning of period</b>	239.5	300.0	234.0	294.1	294.1
<b>Comprehensive income</b>					
Profit for the period	26.8	12.5	27.8	27.6	56.6
Other comprehensive income:					
Translation adjustment	8.8	6.9	12.2	-3.2	-8.6
	35.6	19.4	40.0	24.4	48.0
<b>Transactions with owners</b>					
Share awards - value of employee services	0.6	0.6	1.2	1.0	0.4
Equity settled employee benefit plan	0.5	0.5	1.0	1.0	2.0
Disposal of treasury shares	-	-	-	0.0	2.0
Dividend paid	-	-56.2	-	-56.2	-112.5
	1.1	-55.1	2.2	-54.2	-108.1
<b>Closing balance at end of period</b>	276.2	264.3	276.2	264.3	234.0



## KEY RATIOS

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

	Unaudited	Unaudited (Restated)	Unaudited	Unaudited (Restated)	Audited
	Q2	Q2	Jan - June	Jan - June	Full Year
	2020	2019	2020	2019	2019
Operating margin (Profit from operations/gross winnings revenue for the period)	16%	7%	9%	8%	8%
Return on total assets (Profit after tax/average of opening and closing assets for the period)	3%	2%	3%	4%	7%
Return on average equity (annualised) (Profit from operations/average of opening and closing equity for the period)	58%	23%	35%	25%	27%
Equity:assets ratio	34%	33%	34%	33%	29%
EBITDA margin	22%	13%	17%	14%	14%
Unrestricted cash/EBITDA (rolling 12-month basis)*	0.687	0.303	0.687	0.303	0.550
Net debt/EBITDA (rolling 12-month basis)*	0.409	0.803	0.409	0.803	1.210
Employees at period end	1,633	1,608	1,633	1,608	1,666
Gross cash per share (GBP)* (cash at end of period/number of shares at end of period)	0.751	0.527	0.751	0.527	0.599
Net debt per share (GBP)* (total cash at period end less customer balances and borrowings/number of shares at end of period)	0.265	0.611	0.265	0.611	0.674
Operating cash flow before movements in working capital per share (GBP)	0.232	0.138	0.381	0.277	0.583
Earnings per share (GBP)	0.118	0.055	0.123	0.122	0.250
Diluted earnings per share (GBP)	0.117	0.055	0.121	0.121	0.248
Number of shares at period end <sup>1</sup>	230,126,200	230,126,200	230,126,200	230,126,200	230,126,200
Diluted number of shares at period end	232,043,832	231,767,299	232,043,832	231,767,299	231,864,044
Weighted average number of outstanding shares	226,899,679	226,593,080	226,899,679	226,593,069	226,669,514
Weighted average number of diluted outstanding shares	228,855,619	228,237,074	228,855,619	228,246,379	228,384,165

<sup>1</sup> As at 30 June 2020 the total issued shares were 230,126,200. Of these 3,226,521 shares are held by the Group as a result of previous repurchase programmes. The intention of the Board is either to cancel the shares (requires further shareholder approval), use as consideration for an acquisition, or issue to employees under share option programmes.

\* From and inclusive of 31 December 2019, amounts held in trust in respect of customers are now recognised within cash and cash equivalents (restricted cash) instead of trade and other receivables to better reflect the nature of the funds. The comparatives for 30 June 2019 have therefore been restated, reclassifying GBP 12.0 million to cash and cash equivalents (restricted cash). The metrics which include net debt, unrestricted cash or gross cash disclosed above for the second quarter of 2019 have been impacted by this change. For more information, see page 9.



## NON-STATUTORY ANALYSIS OF GROSS WINNINGS REVENUE

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

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

SPORTS BETTING BY REGION	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2020 YTD	2019 FY	2018 FY
<b>Gross winnings revenue</b>									
Nordics	13.9	24.5	21.5	22.1	24.0	19.1	38.4	86.7	111.9
Western Europe	43.1	84.1	75.1	74.6	74.2	76.0	127.2	299.9	280.7
Central, Eastern and Southern Europe	5.7	10.1	9.8	10.0	8.8	8.3	15.8	36.9	34.1
Other	4.8	3.8	4.3	2.7	1.9	3.1	8.6	12.0	8.9
<b>Total</b>	<b>67.5</b>	<b>122.5</b>	<b>110.7</b>	<b>109.4</b>	<b>108.9</b>	<b>106.5</b>	<b>190.0</b>	<b>435.5</b>	<b>435.6</b>

Quarterly Year-on-Year & Year-on-Year growth %									
Nordics	-42%	28%	-31%	-26%	-7%	-25%	-11%	-23%	9%
Western Europe	-42%	11%	-9%	6%	9%	27%	-15%	7%	36%
Central, Eastern and Southern Europe	-35%	22%	13%	5%	11%	4%	-8%	8%	31%
Other	153%	23%	54%	80%	-37%	94%	72%	35%	-21%
<b>Total</b>	<b>-38%</b>	<b>15%</b>	<b>-11%</b>	<b>-2%</b>	<b>4%</b>	<b>12%</b>	<b>-12%</b>	<b>0%</b>	<b>26%</b>

OTHER PRODUCTS - CASINO, POKER, & OTHER GAMES BY REGION	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2020 YTD	2019 FY	2018 FY
<b>Gross winnings revenue</b>									
Nordics	45.8	42.7	41.4	44.3	43.4	42.8	88.5	171.9	194.6
Western Europe	97.8	68.8	70.0	60.5	61.7	63.4	166.6	255.6	235.6
Central, Eastern and Southern Europe	15.6	11.7	11.7	10.0	10.4	10.0	27.3	42.1	34.1
Other	8.4	4.0	2.4	1.8	1.8	1.7	12.4	7.7	7.7
<b>Total</b>	<b>167.6</b>	<b>127.2</b>	<b>125.5</b>	<b>116.6</b>	<b>117.3</b>	<b>117.9</b>	<b>294.8</b>	<b>477.3</b>	<b>472.0</b>

Quarterly Year-on-Year & Year-on-Year growth %									
Nordics	6%	0%	-14%	-10%	-10%	-12%	3%	-12%	0%
Western Europe	59%	9%	7%	1%	12%	15%	33%	8%	32%
Central, Eastern and Southern Europe	50%	17%	14%	22%	28%	33%	34%	23%	36%
Other	367%	135%	118%	-14%	-31%	-11%	254%	0%	8%
<b>Total</b>	<b>43%</b>	<b>8%</b>	<b>0%</b>	<b>-3%</b>	<b>3%</b>	<b>4%</b>	<b>25%</b>	<b>1%</b>	<b>17%</b>

TOTAL BY REGION	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2020 YTD	2019 FY	2018 FY
<b>Gross winnings revenue</b>									
Nordics	59.7	67.2	62.9	66.4	67.4	61.9	126.9	258.6	306.5
Western Europe	140.9	152.9	145.1	135.1	135.9	139.4	293.8	555.5	516.3
Central, Eastern and Southern Europe	21.3	21.8	21.5	20.0	19.2	18.3	43.1	79.0	68.2
Other	13.2	7.8	6.7	4.5	3.7	4.8	21.0	19.7	16.6
<b>Total</b>	<b>235.1</b>	<b>249.7</b>	<b>236.2</b>	<b>226.0</b>	<b>226.2</b>	<b>224.4</b>	<b>484.8</b>	<b>912.8</b>	<b>907.6</b>

Share of total %									
Nordics	25%	27%	27%	29%	30%	28%	26%	28%	34%
Western Europe	60%	61%	61%	60%	60%	62%	61%	61%	57%
Central, Eastern and Southern Europe	9%	9%	9%	9%	8%	8%	9%	9%	7%
Other	6%	3%	3%	2%	2%	2%	4%	2%	2%

Quarterly Year-on-Year & Year-on-Year growth %									
Nordics	-11%	9%	-21%	-16%	-9%	-16%	-2%	-16%	3%
Western Europe	4%	10%	-2%	4%	10%	21%	7%	8%	34%
Central, Eastern and Southern Europe	11%	19%	13%	13%	20%	18%	15%	16%	33%
Other	257%	63%	72%	25%	-34%	37%	147%	19%	-9%
<b>Total</b>	<b>4%</b>	<b>11%</b>	<b>-6%</b>	<b>-2%</b>	<b>3%</b>	<b>8%</b>	<b>8%</b>	<b>1%</b>	<b>21%</b>



## NON-STATUTORY ANALYSIS OF GROSS WINNINGS REVENUE

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

## Gross winnings revenue by product (after Free Bets)

(GBP 'm)

TOTAL BY PRODUCT	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2020 YTD	2019 FY	2018 FY
<b>Gross winnings revenue</b>									
Sports Betting	67.5	122.5	110.7	109.4	108.9	106.5	190.0	435.5	435.6
Casino & Games	150.4	112.9	112.3	104.7	105.6	106.7	263.3	429.3	431.8
Poker	9.7	7.5	5.8	5.2	4.6	5.7	17.2	21.3	17.9
Other	7.5	6.8	7.4	6.7	7.1	5.5	14.3	26.7	22.3
<b>Total</b>	<b>235.1</b>	<b>249.7</b>	<b>236.2</b>	<b>226.0</b>	<b>226.2</b>	<b>224.4</b>	<b>484.8</b>	<b>912.8</b>	<b>907.6</b>

## Share of total %

Sports Betting	29%	49%	47%	48%	48%	47%	39%	48%	48%
Casino & Games	64%	45%	48%	47%	47%	48%	54%	47%	48%
Poker	4%	3%	2%	2%	2%	3%	4%	2%	2%
Other	3%	3%	3%	3%	3%	2%	3%	3%	2%

## Quarterly Year-on-Year &amp; Year-on-Year growth %

Sports Betting	-38%	15%	-11%	-2%	4%	12%	-12%	0%	26%
Casino & Games	42%	6%	-2%	-5%	2%	3%	24%	-1%	18%
Poker	111%	32%	18%	18%	15%	24%	67%	19%	18%
Other	6%	24%	32%	26%	16%	4%	13%	20%	0%

## Sports Betting gross margins

(GBP 'm)

	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2020 YTD	2019 FY	2018 FY
<b>Sports Betting Stakes</b>	<b>780.2</b>	<b>1,143.4</b>	<b>1,364.3</b>	<b>1,218.1</b>	<b>1,256.3</b>	<b>1,340.8</b>	<b>1,923.6</b>	<b>5,179.5</b>	<b>5,064.3</b>
<i>Sports Betting Gross winnings revenue:</i>									
<b>Live Betting</b>	<b>33.5</b>	<b>58.6</b>	<b>59.3</b>	<b>62.5</b>	<b>64.2</b>	<b>64.5</b>	<b>92.1</b>	<b>250.5</b>	<b>250.5</b>
<i>Live Betting margin</i>	7.3%	8.9%	8.1%	8.4%	8.8%	8.3%	8.2%	8.5%	8.2%
<i>Live Betting share</i>	43.3%	42.2%	45.2%	49.7%	50.2%	49.7%	42.6%	48.7%	48.9%
<b>Pre-game Betting</b>	<b>43.8</b>	<b>80.4</b>	<b>71.8</b>	<b>63.2</b>	<b>63.7</b>	<b>65.2</b>	<b>124.2</b>	<b>263.9</b>	<b>261.9</b>
<i>Pre-game Betting margin</i>	13.7%	16.6%	11.3%	13.4%	12.0%	11.5%	15.5%	12.3%	12.9%
<i>Pre-game Betting share</i>	56.7%	57.8%	54.8%	50.3%	49.8%	50.3%	57.4%	51.3%	51.1%
<b>Total before Free Bets</b>	<b>77.3</b>	<b>139.0</b>	<b>131.1</b>	<b>125.7</b>	<b>127.9</b>	<b>129.7</b>	<b>216.3</b>	<b>514.4</b>	<b>512.4</b>
<i>Sports Betting margin (before FB)</i>	9.9%	12.2%	9.6%	10.3%	10.2%	9.7%	11.2%	9.9%	10.1%
<b>Free Bets</b>	<b>-9.8</b>	<b>-16.5</b>	<b>-20.4</b>	<b>-16.3</b>	<b>-19.0</b>	<b>-23.2</b>	<b>-26.3</b>	<b>-78.9</b>	<b>-76.8</b>
<b>Total after Free Bets</b>	<b>67.5</b>	<b>122.5</b>	<b>110.7</b>	<b>109.4</b>	<b>108.9</b>	<b>106.5</b>	<b>190.0</b>	<b>435.5</b>	<b>435.6</b>
<i>Sports Betting margin (after FB)</i>	8.7%	10.7%	8.1%	9.0%	8.7%	7.9%	9.9%	8.4%	8.6%

## Total margin (all products)

(%)

	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2020 YTD	2019 FY	2018 FY
<i>Total margin all products* (before FB)</i>	4.2%	5.3%	5.1%	5.1%	5.1%	5.0%	4.7%	5.1%	5.0%

\* Includes Sports Betting and Casino & Games, but excludes Poker rakes and Other revenues.

