

Kindred Group Press Release

Malta, 9 October 2020

Kindred Group plc – Trading update for the third quarter 2020

- Continued strong momentum in the third quarter 2020 supported by a busy sports calendar and high customer activity, which resulted in both number of active customers and Gross winnings revenue reaching all time high levels.
- Strong revenue growth combined with lower marketing investment and careful management of the overall cost base drove a significant increase in the Underlying EBITDA.

Kindred has delivered another strong quarter with Gross winnings revenue at an all time high of about GBP 280 million (Q3-2019: GBP 226.0 million). This represented annual growth of 24 per cent. The sports betting margin after free bets was just over 8 per cent (below both the long-term average and the third quarter of 2019), but this was offset by continued strong activity levels across the business. The sports calendar has of course continued to be disrupted, but the delay in completion of many 2019-20 seasons and short break before the start of 2020-21 seasons has meant a continuous stream of events.

Underlying EBITDA for the third quarter of 2020 is estimated to be in the range GBP 73-75 million (Q3-2019: GBP 37.2 million) which is higher than current consensus. The strong revenue growth, combined with Kindred's prudent management of marketing investments due to COVID-19 and continued focus on other operating costs, are the main factors driving the increase in EBITDA. The level of marketing investment remained unusually low in July, as a result of COVID-19, but has returned towards levels slightly below the long term average in the second half of the third quarter. As a consequence, the marketing spend came in at approximately 21 per cent of Gross winnings revenue in the quarter.

Active customers for the quarter amounted to 1.65 million which was an increase of 19 per cent compared to the same quarter last year.

The Interim report for the third quarter of 2020 will be published on 6 November 2020. The results presentation and Q&A session will be available through webcast as usual.

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

For more information:

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About Kindred Group

Kindred Group is one of the world's leading online gambling operators with business across Europe, Australia and USA, offering over 25 million customers across 11 brands a great form of entertainment in a safe, fair and sustainable environment. The company, which employs about 1,700 people, is listed on Nasdaq Stockholm Large Cap and is a founding member of the European Gaming and Betting Association (EGBA) and founding member of IBIA (International Betting Integrity Association). Kindred Group is audited and certified by eCOGRA for compliance with the 2014 EU Recommendation on Consumer Protection and Responsible Gambling (2014/478/EU). Read more on www.kindredgroup.com.

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