

Kindred Group plc

Year end report January – December 2020 (unaudited)

Fourth quarter 2020

- Gross winnings revenue amounted to GBP 364.7 (236.2) million, an increase of 54 per cent.
- Underlying EBITDA was GBP 118.0 (30.7) million.
- Profit before tax amounted to GBP 98.7 (13.3) million.
- Profit after tax amounted to GBP 84.9 (10.9) million.
- Earnings per share were GBP 0.374 (0.048).
- Free cash flow amounted to GBP 111.2 (18.3) million.
- Achieved a net cash position of GBP 104.7 (net debt position of GBP 155.0) million.
- Number of active customers was 1,781,617 (1,603,903).

Full year 2020

- Gross winnings revenue amounted to GBP 1,130.2 (912.8) million, an increase of 24 per cent.
- Underlying EBITDA was GBP 286.8 (130.0) million.
- Profit before tax amounted to GBP 193.1 (67.1) million.
- Profit after tax amounted to GBP 165.2 (56.6) million.
- Earnings per share were GBP 0.728 (0.250).
- Free cash flow amounted to GBP 267.5 (48.5) million.
- The Board of Directors has agreed on a new dividend and share buyback policy and subsequently propose a dividend of GBP 0.330 (nil) per share/SDR, equal to a total dividend of approximately GBP 75 million. See page 13 for more information.

CEO comment

“New record in active customers and solid performance across all products contributes to strong growth”

I am pleased that we can finally put 2020, a difficult year for most people, businesses and countries, behind us. It has certainly been a year we will all remember. At Kindred, we have successfully managed to navigate these uncertain times and have continued to attract customers who enjoy a safe and entertaining gambling experience, resulting in several new all-time highs this quarter including active customers and Gross winnings revenue, which increased 54 per cent from the fourth quarter of 2019 to GBP 364.7 million.

Our scalable business model continues to drive profitability

The fourth quarter delivered strong results thanks to our scalable business model, continued focus on costs and impressive growth in active customers to 1.78 million. The busy sports calendar and a slightly higher than normal sports betting margin of 10 per cent, together with encouraging growth of 52 per cent in casino & games compared to the fourth quarter of 2019, have all contributed to our notable growth in Gross winnings revenue. Continued focus on operational costs and improved return on marketing investments also resulted in impressive growth in underlying EBITDA of 284 per cent to GBP 118.0 million. At the same time, it is encouraging to see that Kindred's share of voice across markets has increased throughout 2020.

Continued growth in core markets and expanding our US footprint

Our European and Australian businesses have continued to grow during the fourth quarter which, as we have proven many times before, shows that we remain resilient to temporary market turbulence. The sector also firmly established itself in the US market during 2020, and our Unibet brand continues to deliver here according to plan with a Gross winnings revenue contribution of GBP 23.8 million for the full year. Being one of the largest operators in the world, I look forward to our continued journey in the US as Unibet projects to launch in both Illinois and Iowa during 2021.

The transformation to locally regulated markets continues

Entering new markets, or preparing for local regulation in existing markets, involves patience and focus. It normally takes 18 to 36 months for a market to reach pre-regulation profitability, following initial margin pressure due to betting duties, compliance costs and marketing investments. I do not expect it to be any different for the Dutch market and, as it prepares for local regulation in 2021, we will use our previous experience to our advantage. After a slightly challenging start in Sweden, we are now two years in and, as envisaged, we are getting close to pre re-regulation levels of financial contribution. It is also encouraging to see that over the course of 2020, locally regulated markets have grown at a faster pace than .com markets.

A good start to 2021 and new opportunities

With a scalable business model and our house in order we are ready for what lies ahead. The year has started well, with the average daily Gross winnings revenue for the first 38 days of 2021 being 41 per cent higher (36 per cent higher in constant currency) than the same period last year. Finally, I would like to thank the Kindred team for their outstanding work during a very difficult year and I know that all of us look forward to giving our customers a safe and exciting experience during 2021, building up to the Euros and the Olympics in Tokyo.

Henrik Tjärnström, CEO of Kindred Group

Q4 AND FULL YEAR SUMMARY

This table and the contents of this announcement are unaudited.

GBP	Q4		Full Year	
	2020 GBP 'm	2019 GBP 'm	2020 GBP 'm	2019 GBP 'm
Gross winnings revenue	364.7	236.2	1,130.2	912.8
EBITDA ¹	115.9	30.0	274.2	128.1
Underlying EBITDA ²	118.0	30.7	286.8	130.0
Profit before tax	98.7	13.3	193.1	67.1
Profit after tax	84.9	10.9	165.2	56.6
Unrestricted cash ³	223.0	70.4	223.0	70.4
Borrowings	118.3	225.4	118.3	225.4
Net cash/(net debt) ⁴	104.7	-155.0	104.7	-155.0
	GBP	GBP	GBP	GBP
EBITDA ¹ per share	0.510	0.132	1.208	0.565
Underlying EBITDA ² per share	0.519	0.135	1.263	0.574
Earnings per share	0.374	0.048	0.728	0.250
Unrestricted cash ³ per share	0.969	0.306	0.969	0.306
Net cash/(net debt) ⁴ per share	0.455	-0.674	0.455	-0.674
SEK	Q4		Full Year	
	2020 SEK 'm	2019 SEK 'm	2020 SEK 'm	2019 SEK 'm
Gross winnings revenue	4,144.5	2,922.3	13,338.6	11,017.1
EBITDA ¹	1,317.1	371.2	3,236.1	1,546.1
Underlying EBITDA ²	1,341.0	379.8	3,384.8	1,569.0
Profit before tax	1,121.6	164.5	2,279.0	809.9
Profit after tax	964.8	134.9	1,949.7	683.1
Unrestricted cash ³	2,488.9	864.4	2,488.9	864.4
Borrowings	1,320.3	2,767.7	1,320.3	2,767.7
Net cash/(net debt) ⁴	1,168.6	-1,903.2	1,168.6	-1,903.2
	SEK	SEK	SEK	SEK
EBITDA ¹ per share	5.798	1.636	14.254	6.821
Underlying EBITDA ² per share	5.903	1.674	14.910	6.922
Earnings per share	4.247	0.594	8.588	3.014
Unrestricted cash ³ per share	10.815	3.756	10.815	3.756
Net cash/(net debt) ⁴ per share	5.078	-8.270	5.078	-8.270
	No.	No.	No.	No.
Active customers	1,781,617	1,603,903		
Registered customers (million)	29.7	27.3	29.7	27.3

Currency rate Q4 20 average: 1 GBP = 11.364 SEK, Q4 19 average: 1 GBP = 12.372 SEK, FY 2020 average: 1 GBP = 11.802 SEK, FY 2019 average: 1 GBP = 12.070 SEK, 31 December 2020: 1 GBP = 11.161 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.

Definition of Alternative Performance Measures

¹ EBITDA = Profit from operations before depreciation and amortisation.

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

³ Unrestricted cash = Total cash at period end less customer balances.

⁴ Net cash/(net debt) = Unrestricted cash less total borrowings.

Refer to pages 15 and 17 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.



Significant events during the fourth quarter of 2020

On 18 October 2020, Kindred applied for an online-only (sports) betting license in Virginia.

On 29 October 2020, Kindred announced an agreement to acquire 100 per cent of the shares in Blankenberge Casino-Kursaal (Blancas) NV which operates Casino Blankeberge in Belgium, from The Rank Group Plc at a valuation of GBP 25.0 million on a cash free and debt free basis. The acquisition will solidify Kindred's long-term operations and commitments in Belgium and will allow Kindred to continue to provide an attractive and broad offering to Belgian customers. The acquisition is subject to customary regulatory approvals and is expected to be completed in the first quarter of 2021.

Significant events after the period end

On 8 February 2021, as part of its "Journey to Zero", Kindred published its first report on its share of revenue derived from high-risk customers. For the fourth quarter of 2020 this was 4.3 per cent.

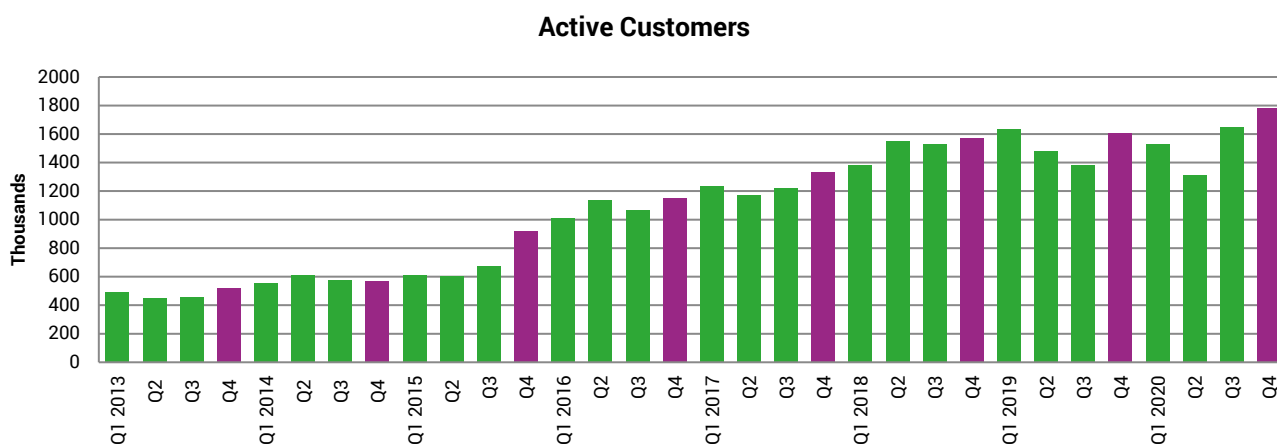
On 9 February 2021, Kindred announced a partnership with the Quechan Tribe of the Fort Yuma Indian Reservation to secure market access to California and Arizona. The agreement, which will allow Kindred to offer both online and retail sports betting as well as iGaming, spans 10 years and includes an extension option at the end of this period. Launching in these States is conditional upon the introduction of local legislation.

Customer activity

The level of customer activity has remained high across the business with the total number of registered customers increasing to over 29.7 (27.3) million at 31 December 2020, whilst at 30 September 2020 over 29.1 million customers were registered.

For the fourth quarter of 2020, the number of active customers amounted to 1,781,617 (1,603,903), an all-time high level and an 8 per cent increase compared to the third quarter of 2020. Kindred has benefited from continued migration from land-based casinos to online.

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.



Market update

Following on from the successes of the third quarter, Kindred has maintained its momentum in all key markets with all-time-high performance throughout the Group including the UK, France, Belgium, Romania, Australia, Denmark and the US. The Group has continued to deliver on its strategic aim of sustainable growth as performance in locally regulated markets remains strong. These markets experienced 54 per cent growth in Gross winnings revenue compared to the fourth quarter of 2019 as well as substantial improvements in EBITDA



over the same period. The Group continues to take a proactive approach to regulatory changes, always delivering both a compliant and sustainable environment.

Key developments and market performances are detailed in the regional updates below, whilst Gross winnings revenue by region is disclosed on page 21.

Nordics

Nordics Gross winnings revenue amounted to GBP 75.3 million for the fourth quarter of 2020, an increase of 20 per cent from the same period in 2019.

The implementation of COVID-19 measures by the Swedish government, such as deposit limits and further restrictions to bonuses, has led to lower casino player values compared with the first half of the year. Despite this, Sweden has performed well compared with the previous quarter, with Gross winnings revenue up 26 per cent in local currency due to significant growth in active customers across both sportsbook and casino. The Swedish Elite Football sponsorship deal continues to be pivotal to growth in sportsbook and improving Unibet's brand awareness in the market.

Western Europe

Western Europe Gross winnings revenue amounted to GBP 238.3 million for the fourth quarter of 2020, an increase of 64 per cent from the same period in 2019.

The UK continues to pave the way for regulated market growth. UK revenues increased by 60 per cent in the fourth quarter of 2020 when compared to the fourth quarter of 2019. Both of Kindred's key brands (Unibet and 32Red) continue to perform well and they are seeing real value from the investments made in recent years. The UK market has seen improvement across all performance metrics with the most notable growth coming from better cross-sell between products, more optimised promotional spend and improved retention of active customers. Kindred UK has also benefited from product development across both brands: on Unibet, in racing (supported by Kindred's proprietary racing platform); and on 32Red where the integration of new providers have expanded the casino offering.

Having already made a strong recovery in the third quarter of 2020 following the disruption caused by COVID-19 earlier in the year on the sports calendar, performance in France continued to develop well, achieving growth of 11 per cent in active customers in the fourth quarter compared to the equivalent quarter in 2019, and similar growth in sportsbook turnover. During the quarter, strong activity was supported by a high sports-betting margin, together delivering an all-time-high quarter for the market in Gross winnings revenue.

Belgium also achieved an all-time-high quarter benefitting from a full quarter of domestic football and a busy international football schedule. Gross winnings revenue in the fourth quarter increased 90 per cent in local currency compared to the fourth quarter of 2019 which is largely attributable to growth in active customers alongside improved player values. Growth in active customers was achieved through better retention and reactivation of the existing player base, as well as new player acquisition reaching its highest level in 2020 during the quarter.

Central, Eastern and Southern Europe

Central, Eastern and Southern Europe Gross winnings revenue amounted to GBP 33.3 million for the fourth quarter of 2020, an increase of 55 per cent from the same period in 2019.

Kindred's two brands in Romania, Unibet and Vlad Casino, have experienced significant growth throughout 2020 and this has been demonstrated further in the fourth quarter with total Romanian quarterly revenues almost doubling compared to the equivalent period in 2019. This growth has stemmed from increased marketing



investment and the delivery of more engaging content, which has driven sharp uplifts in new activity. Active customers for the quarter increased by 63 per cent compared to the fourth quarter of 2019.

Other

Other regions Gross winnings revenue amounted to GBP 17.8 million for the fourth quarter of 2020, an increase of 166 per cent from the same period in 2019.

This development has naturally been supported by the US market which has been a core focus for the Group throughout 2020. Over the course of the year Kindred has continued to lay down a platform for future success, launching online sportsbook in Indiana; announcing a multi-state agreement providing market access in Illinois and Ohio; and developing the first ever US professional sports themed casino games in partnership with the Philadelphia Eagles. All of this was achieved whilst continuing to grow its active customer base and revenues in New Jersey and Pennsylvania.

Kindred's strategy in the US remains focused on selective and organic expansion and since the end of 2020 the Group has announced a partnership with the Quechan Tribe of the Fort Yuma Indian Reservation to secure market access to California and Arizona. Kindred's US operations will also be strengthened in the coming quarters, with launches expected in Illinois and Iowa.

Gross winnings revenue for the US market amounted to GBP 7.9 million in the fourth quarter, an increase of 12 per cent from the third quarter of 2020 in local currency. This has contributed to full year 2020 revenues for the US business at GBP 23.8 million, which is in line with internal growth expectations and represents a significant increase from the GBP 1.7 million delivered in 2019. The growth in quarterly revenues is attributable to growing the active customer base in US with an increase of 16 per cent from the third quarter of 2020 as Kindred's presence in US states continues to grow. Bonus spend has increased 15 per cent on the previous quarter which has contributed to better retention of existing active customers. The negative impact on underlying EBITDA for the quarter is GBP 5.7 million as a result of increased marketing investment to support the increased sporting calendar in the US. Kindred's expectation is that the additional investment in the quarter will help continue to build the sustainable actives base across the US and contribute to further revenue growth in future quarters. The average daily Gross winnings revenue for the US market for the first 38 days of 2021 was 224 per cent higher than the same period last year in US Dollars (211 per cent higher in GBP).

Performance in Australia has gone from strength to strength throughout 2020. This has been driven by continued increase in activity and improvements in the racing product. In the fourth quarter of 2020, Australia achieved Gross winnings revenue over double that achieved in the fourth quarter of 2019.

Product portfolio

Sports betting

The fourth quarter saw the continuation of all the major football leagues across Europe and internationally. The Champions League and Europa League campaigns also began in October, a month later than usual but with the group stages still completed in December. Originally scheduled for the end of the March, the Euro 2020 play-offs concluded in November whilst the 26 December 2020 Premier League fixture contested by Chelsea and Arsenal was the largest domestic league football turnover event of 2020.

Sports betting margins have been high during the fourth quarter, driven by an unusually large amount of upsets across the top European football leagues and numerous heavily backed favourites underperforming, perhaps as a result of the lack of crowds. This was most evident in the largest European domestic football leagues with margins of 19.5 per cent across the Premier League, La Liga, Serie A and Ligue 1 exceeding expectations.

However, it was the US election that broke all previous records. With over GBP 12.0 million turnover it became the largest turnover event in Unibet history and the fourth largest Gross winnings revenue event by the time Joe Biden's victory had been confirmed.



Unlike previous years, the NBA finals saw a late conclusion in early October and the new season began in late December with a reduction of ten regular season games per team. Despite this, NBA popularity continues to grow across all markets, with the LA Lakers versus the Miami Heat NBA finals the biggest turnover event for 2020 outside of football and the US election.

Table Tennis and Esports FIFA are two other sports that continue to show record turnover levels, both of which comprise short formats contributing to a high number of matches played daily.

Racing

During the fourth quarter, Kindred's proprietary racing product experienced more of the same trends that have been a pattern since the full resumption of the global racing schedule in the second quarter of 2020. Alongside considerable growth in engagement and activity, Kindred has realised optimised margins through its enhanced trading functionality.

With the winter seasonal reduction in UK and Irish racing, performance has been buoyed by excellent trade levels in Australia throughout their Spring Racing Carnival and beyond, ensuring year-round stability in racing turnover for the Group.

There have been ongoing product improvements for both front and back end platforms, including a perpetual live streaming channel serving up live content to compliment the round-the-clock racing schedule of horses and greyhounds. Furthermore, the Group conducted a soft launch of a fully localised version of Kindred's proprietary product in Sweden and there were further implementations of more effective commercial devices within the rewards engine. Kindred has also continued to develop its trading and risk management capability within its proprietary trading platform.

Casino & games

Kindred's casino product includes a wide range of suppliers and a diverse content library. The aim is to provide relevant content for different markets and brands through using off-the-shelf games, as well as the Group's own exclusive titles. During the quarter, Kindred released 189 casino games and 13 exclusive games, one of which is Runner 6 Runner which proved to be extremely popular with Kindred customers. As at 31 December, Kindred's casino & games product offering is derived from 76 different suppliers, with further steps being taken to diversify the live casino product in the fourth quarter through the addition of another provider. As a result of the above product developments, Kindred won EGR's Casino Operator of the Year.

Casino & games continued to attract significant interest from customers during the quarter, with resulting growth in Gross winnings revenue of 52 per cent when compared the fourth quarter of 2019. This quarter the casino & games offering experienced all-time high figures for active customers, turnover and Gross winnings revenue. This is particularly encouraging given the near full resumption of the sporting calendar. In December, a Kindred customer won a jackpot of GBP 3.9 million on the Mega Fortune Dreams game.

Roxy, Bohemia Casino and iGame casino brands were officially closed in the fourth quarter as part of the Group's active brand management. This is expected to reduce complexity and create cost synergies.

Poker and other

The poker product has continued to attract positive interest from customers, supported by the improved customer experience from the re-styled poker lobby which was released at the end of the third quarter. The re-designed poker client, including new features like mobile portrait gameplay, has continued to be received favourably by customers. In response to COVID-19, Kindred has now made it possible for customers to request private home games for family and friends with 700 private tournaments being created in the fourth quarter. Overall, the resulting growth in Gross winnings revenue was 53 per cent when compared to the fourth quarter of 2019.



During the quarter, the bingo product offering has been improved with the release of a new game ‘Temple Tumble’. This minigame bridges the gap between full scale casino games and the simplicity of bingo minigames.

Sustainability update

Kindred continues to focus on creating a safe gambling experience for its customers, as well as contributing positively to society. Kindred believes a successful business is about future-proofing its operations to be economically, socially and environmentally sustainable in the long-term. This means continuously making improvements, taking responsibility for its operations and constantly striving to change for the better. Therefore, Kindred has set clear ambitions and bold commitments to make gambling 100 per cent enjoyable.

This work is primarily centred around Kindred’s sustainability framework and priority areas, which include long-term ambitions and shorter-term commitments.

The key deliveries of Kindred’s sustainability programme in the fourth quarter of 2020 included:

- Kindred finalised its plan to report on the Group’s share of revenue from customers deemed to have a harmful gambling behaviour as part of its ambition to have 0 per cent revenue from harmful gambling by 2023. This includes new detection criteria developed for Kindred’s player behaviour monitoring system, PS-EDS, making it possible to map player behaviour against a broader set of criteria which are based on the international psychological diagnostic manual, DSM-5.
- Kindred hosted the fifth Sustainable Gambling Conference in October, this time fully online due to the COVID-19 pandemic, gathering almost 700 participants from across the world.
- eCogra conducted an external audit of Kindred’s 2020 sustainability commitments with no findings to report.
- As part of the sponsorship of the Swedish Elite Football leagues, Kindred concluded its payment of SEK 20 million throughout the year to the football clubs as part of the “Hemmaklubben” initiative to help fund further development in each club.
- To further increase employee engagement in communities, a project has been rolled out in Gibraltar to connect Kindred employees with organisations that support communities.
- Two research papers, conducted by Kindred’s inhouse research team in collaboration with Professor Mark Griffiths, have been finalised and are awaiting publication. One of them looks at how consumer protection is presented through analysing different operators, the other explores the reliability of using voluntary self-exclusion as a proxy measure of problem gambling.
- The self-control application developed together with Zafty Intelligence, which will help players monitor their own gambling behaviour on devices in real time, is under production and expected to launch in mid-February in the UK and France. Upon launch, Kindred will donate the app to the EASG (European Association for the Study of Gambling) to remove any conflict of interest.
- Kindred received its 2020 CDP (Carbon Disclosure Project) score, which improved from B- to B.

Read more about the Group’s ambitions in the Kindred Group 2019 Sustainability Report which is available at www.kindredgroup.com/sustainability.

Financial review

Gross winnings revenue

Total Gross winnings revenue for the fourth quarter of 2020 reached an all-time high level of GBP 364.7 (236.2) million, which meant the Group achieved Gross winnings revenue for the full year of over GBP 1 billion for the first time in its history.

Gross winnings revenue for sports betting amounted to GBP 177.2 (110.7) million for the fourth quarter of 2020 and GBP 488.1 (435.5) million for the full year 2020. The growth in the fourth quarter of 2020 from the same period in 2019 is driven by increased activity, with sports betting stakes 30 per cent higher than the fourth



quarter of 2019 and totalling a record GBP 1,771.4 (1,364.3) million. The growth is also supported by a higher than normal sports betting margin in the quarter, as can be seen in the next section.

Gross winnings revenue for other products amounted to GBP 187.5 (125.5) million for the fourth quarter of 2020 and GBP 642.1 (477.3) million for the full year 2020. This is driven by both casino & games and poker where Gross winnings revenue for the fourth quarter of 2020 increased by over 50 per cent when compared to the same period in 2019.

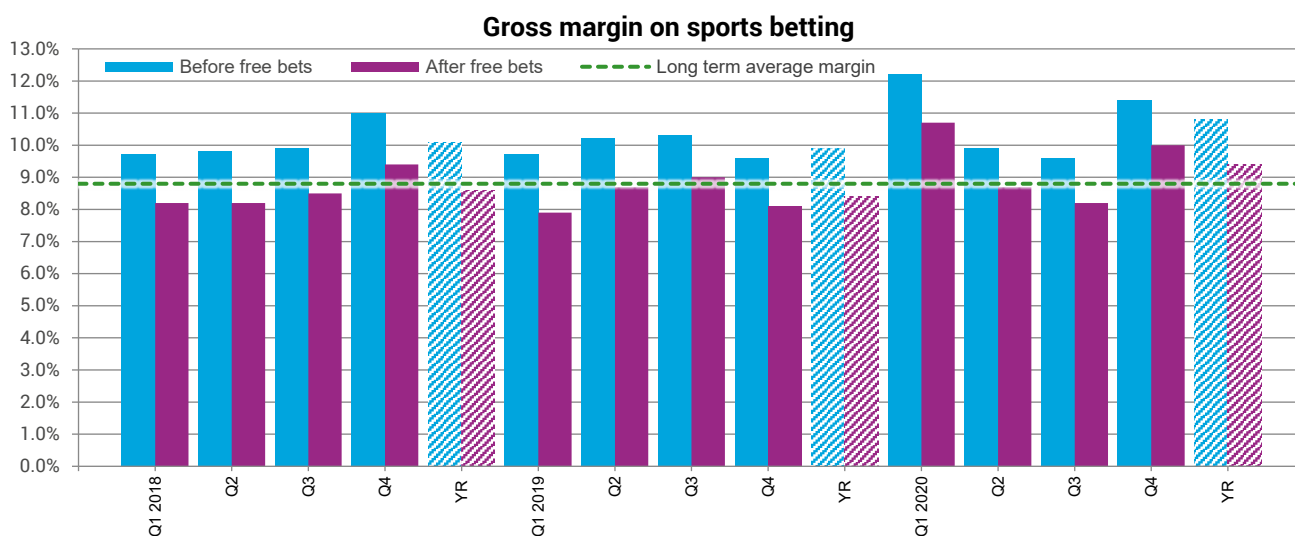
Please refer to pages 21 and 22 for more information on Gross winnings revenue by region and product.

Gross margin on sports betting

The gross margin for total sports betting for the fourth quarter of 2020 before free bets was 11.4 (9.6) per cent and after free bets was 10.0 (8.1) per cent, higher than the Group's long-term average sports betting margin of 8.8 per cent.

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.

Please refer to page 22 for more information on sports betting margins.



Cost of sales

Cost of sales includes betting duties, marketing revenue share and other costs of sales. For the fourth quarter of 2020, betting duties were GBP 75.4 (55.7) million and marketing revenue share amounted to GBP 15.5 (12.4) million. The betting duties for the full year 2020 were GBP 231.0 (204.3) million and marketing revenue share for the full year 2020 amounted to GBP 53.6 (48.8) million. All components of cost of sales have increased in comparison to the same period of the prior year, as expected, following the trend in Gross winnings revenue. However, the Group has also achieved cost efficiencies in respect of product commissions, proving the scalability of its operations.

Gross profit

Gross profit for the fourth quarter of 2020 was GBP 221.6 (130.0) million. Gross profit for the full year 2020 was GBP 665.2 (508.6) 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 fourth quarter of 2020, operating costs were GBP 115.6 (112.2) million and for the full year 2020 were GBP 427.7 (429.9) million.

Marketing costs amounted to GBP 60.9 (55.3) million for the fourth quarter of 2020 and GBP 203.6 (210.9) million for the full year 2020. Marketing costs for the quarter have increased when compared to the fourth quarter of 2019 due to investments made to support growth of the business following a period of low sports activity earlier this year. For the full year 2020, marketing expenditure has decreased from the full year 2019 as the Group benefits from the rationalisation of its marketing strategy as well as the natural consequences of the uncertainties and impact of COVID-19 which created a temporary reduction in spend during 2020. Kindred's share of voice has increased throughout 2020, despite a significantly lower marketing percentage, as a result of changing market dynamics.

Salaries were GBP 27.2 (24.9) million for the fourth quarter of 2020 and GBP 109.7 (96.1) for the full year 2020. Whilst the Group's previously announced cost control initiatives have resulted in a 6 per cent reduction of headcount during 2020, lower than normal capitalisation of development costs and adjustments to variable compensation driven by the strong result have resulted in the increase in salaries from the prior year.

Other operating expenses, amounting to GBP 15.3 (18.7) million for the fourth quarter of 2020 and GBP 63.7 (73.6) million for the full year 2020, have reduced from the same periods in 2019. This is a result of the Group's sustainable business model and successful drive for cost control. This has been achieved through the optimisation of consultancy expenditure across the Group as well as some natural temporary decreases in both facilities and travel costs as a result of COVID-19 restrictions.

EBITDA and profit from operations

Earnings before interest, tax, depreciation and amortisation (EBITDA) for the fourth quarter of 2020 was GBP 115.9 (30.0) million and for the full year 2020, was GBP 274.2 (128.1) million whilst underlying EBITDA for the fourth quarter of 2020 was GBP 118.0 (30.7) million and GBP 286.8 (130.0) million for the full year 2020.

Profit from operations for the fourth quarter of 2020 was GBP 99.7 (13.3) million and GBP 205.8 (70.9) million for the full year 2020. As already explained throughout this report, the substantial growth from the corresponding periods in 2019 is driven by significant growth in Gross winnings revenue and careful management of the overall cost base.

Items affecting comparability

Items affecting comparability amounted to a negative contribution of GBP 6.3 (4.5) million for the quarter and included management incentive costs relating to acquisitions, personnel restructuring costs, amortisation of intangible assets that arose on acquisition and foreign currency gains and losses on operating items.

Personnel restructuring costs of GBP 2.0 (0.7) million have been recognised during the quarter. As previously communicated, the Group is striving for improved cost and operational efficiencies, which has resulted in continued headcount reduction throughout 2020. During 2020, headcount has decreased by 6 per cent, as the Group ensures it is appropriately structured for the future.

Amortisation, and accelerated 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 fourth quarter of 2020 this amounted to GBP 4.0 (3.4) million which includes a non-recurring, non-cash amortisation charge of GBP 3.9 million against goodwill that arose from the Guildhall acquisition in 2008 and is now fully amortised. This is as a result of the Group rationalising its brand portfolio so it can benefit from better focusing its resources and reducing organisational complexity. This adjustment has no impact on free cash flow. The fourth quarter of 2019 included GBP 1.4 million on intangible assets which were fully amortised earlier in 2020 and thus now have no impact on the current quarter as well as a GBP 2.0 million non-recurring charge against the Betchoice goodwill, as previously reported.



For the full year 2020 total items affecting comparability amounted to a negative contribution of GBP 31.7 (7.8) million. The increase of GBP 23.9 million is primarily the result of:

- GBP 9.8 million negative contribution from amortisation of intangible assets that arose on acquisition, predominantly due to the one-off charges of GBP 10.8 million disclosed in the first quarter of 2020 and partially offset by those intangible assets which were fully amortised earlier in 2020 and thus did not incur a full year charge.
- GBP 8.0 million negative contribution from the disputed regulatory sanction from the Swedish Gambling Regulator, as discussed in previous reports and where the outcome remains unknown at the end of 2020.
- GBP 3.4 million negative foreign exchange movement.
- GBP 2.5 million negative impact from personnel restructuring costs, explained above.

Net finance costs/income and foreign currency loss/gain on borrowings

Net finance costs for the fourth quarter of 2020 were GBP 1.3 (1.7) million. Net finance costs for the full year 2020 were GBP 5.8 (6.6) million. This primarily comprises interest and fees on borrowings which amounted to GBP 1.0 (1.4) million for the fourth quarter of 2020 and GBP 4.9 (5.4) million for the full year 2020.

The foreign currency gains and losses on the borrowings reported in the condensed consolidated income statement refer to the revaluation of the Group's multicurrency facilities. During the fourth quarter of 2020, foreign exchange losses of GBP 0.4 (gains of 2.0) million on retranslation of borrowings were recognised of which GBP 0.4 (nil) million were accounting unrealised gains. For the full year 2020 the impact was a loss of GBP 8.7 (gain of 2.9) million of which GBP 7.9 (nil) million are accounting unrealised losses. To mitigate the risk of exposure to foreign currency movements hedge accounting is to be implemented in 2021.

Profit before tax

Profit before tax for the fourth quarter of 2020 was GBP 98.7 (13.3) million. Profit before tax for the full year 2020 was GBP 193.1 (67.1) million.

Profit after tax

Profit after tax for the fourth quarter of 2020 was GBP 84.9 (10.9) million. Profit after tax for the full year 2020 was GBP 165.2 (56.6) million. The effective tax rate for the full year 2020 is broadly in line with the prior year.

FX rates

Balance sheet rates:			
Rate to GBP	31-Dec-20	31-Dec-19	YoY Delta
AUD	1.768	1.880	6.0%
DKK	8.277	8.782	5.8%
EUR	1.112	1.175	5.4%
NOK	11.646	11.594	-0.4%
SEK	11.161	12.279	9.1%
USD	1.365	1.320	-3.4%

Income statement averages for the quarter:			
Rate to GBP	Avg Q4 20	Avg Q4 19	YoY Delta
AUD	1.806	1.883	4.1%
DKK	8.241	8.684	5.1%
EUR	1.107	1.162	4.7%
NOK	11.904	11.723	-1.5%
SEK	11.364	12.372	8.1%
USD	1.321	1.287	-2.6%

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 was a positive impact on Gross winnings revenue of just under 4 per cent in the fourth quarter of 2020 compared to the same period of 2019.

During the fourth quarter of 2020, the foreign currency impact on profit before tax from operating items was a loss of GBP 0.2 (0.4) million. During the full year 2020, the foreign currency impact on profit before tax from operating items was a loss of GBP 1.4 (gain of 2.0) million.

Development and acquisition costs of intangible assets

Intangible assets comprise development costs, computer software and licenses. In the fourth quarter of 2020 intangible assets of GBP 5.0 (6.9) million have been capitalised, bringing the total capitalised for the full year 2020 to GBP 20.7 (41.4) million. For the full year 2019, licence costs of GBP 14.9 million for entering the US market (predominantly Pennsylvania) were capitalised while there have been no such costs in 2020.

Capitalised development costs primarily represent capitalised salary costs for those working on the development and enhancement of the platform. Capitalised development costs for the fourth quarter of 2020 were GBP 5.0 (6.7) million, bringing the total capitalised for the full year 2020 to GBP 20.4 (25.0) million. During 2020, this development is driving economic benefit through customer experience improvements, local licensing requirements, data analytics and information mining. The decrease in costs capitalised when compared to the same periods of 2019 is due to the planned reduction in employee headcount, and consultants during 2020, as well as slightly lower levels of capitalisation than expected.

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 31 December 2020, GBP 119.0 (225.4) million of the facilities was utilised out of a total of GBP 280.0 (280.0) million. The total borrowings recognised in the statement of financial position of GBP 118.3 million are reported net of the associated transaction fees which were incurred upon entering the facilities agreement and which are being expensed over its duration.

As a result of the strong results and cash flow generation in 2020 the Group is now in a net cash position at the 31 December 2020. Net cash/EBITDA (rolling 12-month basis) for the fourth quarter of 2020 was 0.382 (net debt/EBITDA of -1.210).

Cash and cash equivalents at the end of the fourth quarter of 2020 stood at GBP 300.5 (137.8) million while at the beginning of the quarter it was GBP 207.8 (123.4) million. Please refer to page 17 for further detail on the unrestricted cash balance, and to the cash flow section below for more detail on the significant increase from the prior period.

Cash flow

In the fourth quarter of 2020, net cash generated from operating activities amounted to GBP 123.9 (30.5) million. The increase of GBP 93.4 million from the same period in the prior year is primarily the result of the improved underlying performance, with operating cash flows before movements in working capital increasing by GBP 85.4 million. This was enhanced by positive movement due to the timing of corporation tax payments.

For the full year 2020, a similar trend to above can be seen with net cash generated from operating activities amounting to GBP 316.1 (120.3) million. Again, significantly improved underlying performance (operating cash flows before movements in working capital increasing by GBP 145.9 million when compared to the full year 2019) has been boosted by positive net working capital movement of GBP 34.7 million. This is mainly attributable to higher supplier and betting duty accruals (as a result of the increased activity during the year), timing of corporation tax payments, and the Swedish fine of GBP 8.0 million from the first quarter which remains disputed, and unpaid, yet fully provided for in the numbers above.

Cash flows used in investing activities were GBP 7.1 (9.7) million for the fourth quarter of 2020 and GBP 25.5 (56.6) million for the full year 2020. The decrease from the full year 2019 is a result of the reduction in capital



investments, predominantly in relation to US gaming licences and capitalised development costs, as explained in the relevant section on intangible assets on the previous page.

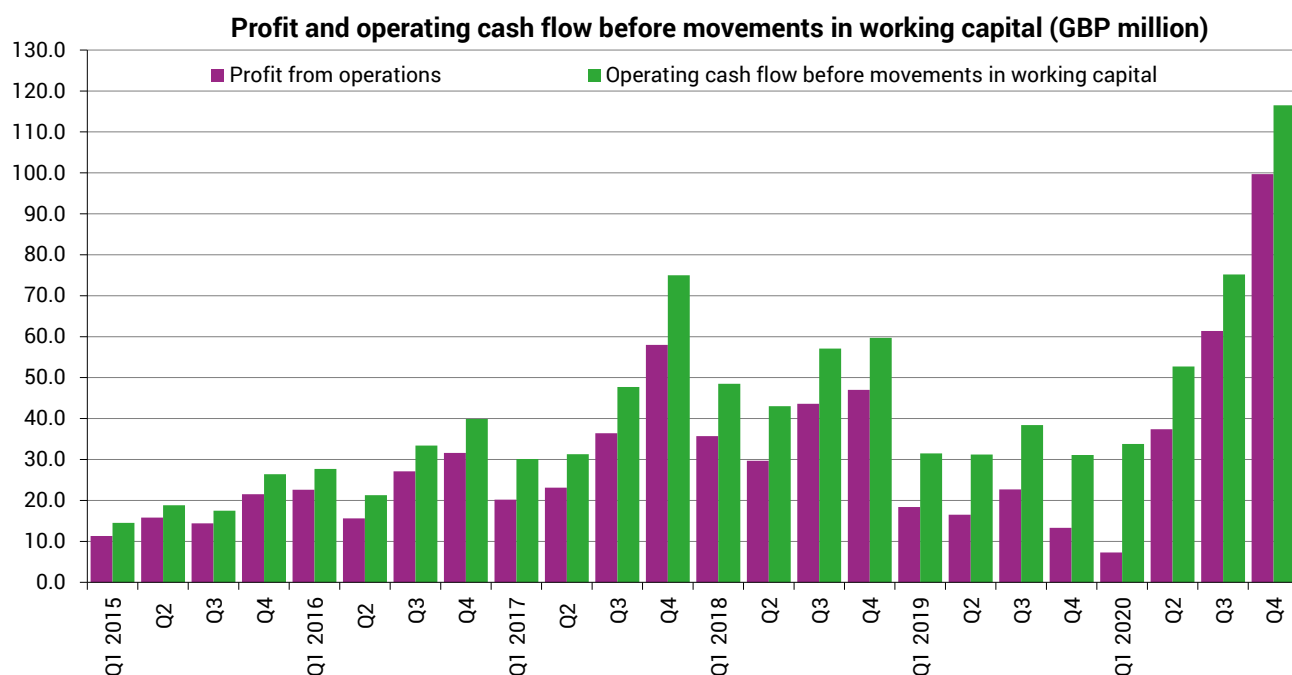
Other significant cash movements during the quarter were the repayment of GBP 17.0 (15.0) million of borrowings, whilst for the full year repayments of GBP 115.1 (92.8) million were made. During 2019, there were also drawdowns of GBP 72.1 million in the fourth quarter and GBP 130.0 million for the full year, whilst there were no such drawdowns in 2020.

Free cash flow, as defined below, for the fourth quarter of 2020 was GBP 111.2 (18.3) million, an increase of GBP 92.9 million from the fourth quarter of 2019. For the full year 2020 this represented an increase of GBP 219.0 million and amounted to GBP 267.5 (48.5) million. This is predominantly a result of the movements in net cash generated from operating activities and capital investments, as explained above. See below for a reconciliation of free cash flow from net cash generated from operating activities.

FREE CASH FLOW RECONCILIATION GBP 'm	Unaudited Q4 2020	Unaudited Q4 2019 ¹	Unaudited Full Year 2020 ¹	Audited Full Year 2019 ¹
Net cash generated from operating activities	123.9	30.5	316.1	120.3
Purchases of property, plant and equipment	-2.1	-2.9	-5.2	-15.6
Proceeds from sale of property, plant and equipment	-	-	-	0.1
Development and acquisition costs of intangible assets	-5.0	-6.9	-20.7	-41.4
Interest paid on lease liabilities	-0.4	-0.3	-1.3	-1.2
Repayment of lease liabilities	-2.9	-2.1	-11.3	-8.6
Adjust for: customer balance movement	-2.3	-0.0	-10.1	-5.1
Free cash flow	111.2	18.3	267.5	48.5

¹ The 2019 and the Q1 2020 reported free cash flow calculations have been updated to remove certain items affecting comparability which are included within net cash generated from operating activities. This update impacts figures for both 2019 and the full year 2020 in the table above.

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



New dividend policy

The Board of Directors has decided to revise the previous dividend policy as a result of the Group's strong cash flows and in order to drive further shareholder value. Kindred's new dividend policy is to generate a stable ordinary dividend in absolute GBP-denominated terms, paid in two equal tranches in the second and fourth quarter. In addition, Kindred will over time complement dividends with share buybacks. The total pay-out of dividends and buybacks will be based on an assessment taking into account Kindred's financial position, capital structure and future investments needs, including acquisition opportunities. The total pay-out ratio of dividends and buybacks should over time equal about 75 per cent of free cash flow. Free cash flow is defined as cash flow from operations excluding movements in customer balances, less cash flow from investment activities (including acquisitions) and payments for lease liabilities.

Dividend proposal for 2020

In respect of the financial year 2020, the Board of Directors propose an ordinary dividend of GBP 0.330 per share, equal to a total dividend of about GBP 75 million, to be paid out in two equal tranches, in the second quarter and the fourth quarter of 2021.

Financial information

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.

Employees

The Kindred Group had 1,564 (1,666) employees at 31 December 2020, compared with 1,628 employees at 30 September 2020. At 31 December 2020, the Kindred Group had 119 (181) consultants.

Other information

As part of a re-organisation of Kindred's Investor Relations function, from 10 February 2021 Patrick Kortman will become the Head of Corporate Development and Investor Relations. As a result of this change, our current Investor Relations Manager, Inga Lundberg, will leave the Group later this Spring.

Brexit

There has been no significant negative impact to Kindred's business operations following the UK's departure from the European Union (EU) in December 2020. The Group continues to closely monitor ongoing discussions between the UK and the EU.

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 29 to 31 and pages 75 to 76 of the Annual Report and Accounts for the year ended 31 December 2019 available from www.kindredgroup.com.

Next AGM and Nomination Committee

The 2021 Annual General Meeting of Kindred Group plc will be held on 12 May 2021 in Stockholm. In view of the scheduled date for publishing the Notice of the Annual General Meeting, proposals have to be received by the Company and the Nomination Committee no later than 1 March 2021 in order to have sufficient time for including them in the Notice and the meeting's agenda.



The Nomination Committee for the 2021 AGM consists of Cecilia Marlow, Nordea Fonder (chairperson), Thomas Gür, Veralda, Peter Lundkvist, Tredje AP-fonden, Erik Sprinchorn, TIN Fonder, and Anders Ström, chairman of the Board of Directors (adjunct). The nomination committee can be contacted at the following address: Kindred Group plc, Level 6, The Centre, Tigne Point, Sliema, TPO 0001 Malta, or by email to: nomination@kindredgroup.com.

Annual Report and Sustainability Report

Kindred Group plc's Annual Report for the 2020 financial year will be available on its website, www.kindredgroup.com, from 15 March 2021. Kindred Group plc's Sustainability Report will also be available on the website from the same date.

Forthcoming financial reporting timetable

Interim Report January – March 2021	28 April 2021
Interim Report January – June 2021	28 July 2021
Interim Report January – September 2021	27 October 2021
Full Year Report 2021	9 February 2022

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, 10 February 2021

Henrik Tjärnström
CEO

For further information please contact:

Inga Lundberg, Investor Relations

+44 788 799 6116

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, VLT 1103, Malta.

Registered in Malta. Company number C 39017.

Today, Wednesday 10 February 2021, Kindred Group's CEO Henrik Tjärnström will host a web cast in English at 10:00 CET on www.kindredgroup.com/Q42020. For those who would like to participate in the telephone conference in connection with the presentation, the telephone numbers are UK: +44 3333 009264 or USA: +1833 249 8405.



CONDENSED CONSOLIDATED INCOME STATEMENT GBP 'm	Unaudited Q4 2020	Unaudited Q4 2019	Unaudited Full Year 2020	Audited Full Year 2019
Continuing operations:				
Gross winnings revenue	364.7	236.2	1,130.2	912.8
Betting duties	-75.4	-55.7	-231.0	-204.3
Marketing revenue share	-15.5	-12.4	-53.6	-48.8
Other cost of sales	-52.2	-38.1	-180.4	-151.1
Cost of sales	-143.1	-106.2	-465.0	-404.2
Gross profit	221.6	130.0	665.2	508.6
Marketing costs	-60.9	-55.3	-203.6	-210.9
<i>Salaries</i>	-27.2	-24.9	-109.7	-96.1
<i>Other operating expenses</i>	-15.3	-18.7	-63.7	-73.6
<i>Depreciation of property, plant and equipment</i>	-3.8	-3.7	-15.1	-14.9
<i>Depreciation of right-of-use assets</i>	-2.9	-2.8	-11.3	-10.1
<i>Amortisation (excluding on assets arising on acquisition)</i>	-5.5	-6.8	-24.3	-24.3
Total administrative expenses	-54.7	-56.9	-224.1	-219.0
Underlying profit before items affecting comparability:	106.0	17.8	237.5	78.7
Management incentive costs relating to acquisitions	-0.1	-0.0	-0.4	-0.2
Personnel restructuring costs	-2.0	-0.7	-4.2	-1.7
Disputed regulatory sanction	-	-	-8.0	-
Accelerated amortisation of intangible assets that arose on acquisition	-3.9	-2.0	-14.7	-2.0
Amortisation of intangible assets that arose on acquisition	-0.1	-1.4	-3.0	-5.9
Foreign currency (loss)/gain on operating items	-0.2	-0.4	-1.4	2.0
Profit from operations	99.7	13.3	205.8	70.9
Finance costs	-1.4	-1.8	-6.2	-7.0
Finance income	0.1	0.1	0.4	0.4
Foreign currency (loss)/gain on borrowings	-0.4	2.0	-8.7	2.9
Share of profit/(loss) from associates	0.7	-0.3	1.8	-0.1
Profit before tax	98.7	13.3	193.1	67.1
Income tax expense	-13.8	-2.4	-27.9	-10.5
Profit after tax	84.9	10.9	165.2	56.6
Earnings per share (GBP)	0.374	0.048	0.728	0.250
Weighted average number of outstanding shares	227,154,842	226,896,346	227,023,775	226,669,514
Diluted earnings per share (GBP)	0.370	0.048	0.721	0.248
Weighted average number of diluted outstanding shares	229,176,216	228,640,173	229,084,006	228,384,165

CONDENSED CONSOLIDATED INCOME STATEMENT MEASURES				
Profit from operations	99.7	13.3	205.8	70.9
Depreciation of property, plant and equipment	3.8	3.7	15.1	14.9
Depreciation of right-of-use assets	2.9	2.8	11.3	10.1
Amortisation of intangible assets	9.5	10.2	42.0	32.2
EBITDA	115.9	30.0	274.2	128.1
Management incentive costs relating to acquisitions	0.1	0.0	0.4	0.2
Personnel restructuring costs	2.0	0.7	4.2	1.7
Disputed regulatory sanction	-	-	8.0	-
Underlying EBITDA	118.0	30.7	286.8	130.0
Gross winnings revenue	364.7	236.2	1,130.2	912.8
EBITDA margin	32%	13%	24%	14%



CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME GBP 'm	Unaudited Q4 2020	Unaudited Q4 2019	Unaudited Full Year 2020	Audited Full Year 2019
Profit after tax	84.9	10.9	165.2	56.6
Other comprehensive income				
Currency translation adjustments taken to equity	-2.5	-3.4	9.2	-8.6
Total comprehensive income for the period	82.4	7.5	174.4	48.0



CONDENSED CONSOLIDATED BALANCE SHEET GBP 'm	Unaudited 31 Dec 2020	Audited 31 Dec 2019
Assets		
Non-current assets		
Goodwill	273.9	275.3
Other intangible assets	148.7	159.7
Investment in associates	3.6	1.8
Property, plant and equipment	28.4	36.6
Right-of-use assets	61.3	64.1
Deferred tax assets	28.4	23.5
Convertible bond	6.9	6.5
Other non-current assets	2.3	2.2
	553.5	569.7
Current assets		
Trade and other receivables	46.9	46.8
Taxation recoverable	91.4	41.5
Cash and cash equivalents	300.5	137.8
	438.8	226.1
Total assets	992.3	795.8
Equity and liabilities		
Capital and reserves		
Share capital	0.1	0.1
Share premium	81.5	81.5
Currency translation reserve	17.2	8.0
Reorganisation reserve	-42.9	-42.9
Retained earnings	356.2	187.3
Total equity	412.1	234.0
Non-current liabilities		
Borrowings	118.3	225.4
Lease liabilities	50.2	53.3
Deferred tax liabilities	5.3	5.9
	173.8	284.6
Current liabilities		
Lease liabilities	12.1	11.7
Trade and other payables	183.9	138.4
Customer balances	77.5	67.4
Deferred income	5.4	5.9
Tax liabilities	127.5	53.8
	406.4	277.2
Total liabilities	580.2	561.8
Total equity and liabilities	992.3	795.8

CONDENSED CONSOLIDATED BALANCE SHEET MEASURES		
Cash and cash equivalents	300.5	137.8
Customer balances	-77.5	-67.4
Unrestricted cash	223.0	70.4
Less: Borrowings	-118.3	-225.4
Net cash/(net debt)	104.7	-155.0



CONDENSED CONSOLIDATED CASH FLOW STATEMENT GBP 'm	Unaudited Q4 2020	Unaudited Q4 2019	Unaudited Full Year 2020	Audited Full Year 2019
Operating activities				
Profit from operations	99.7	13.3	205.8	70.9
Adjustments for:				
Depreciation of property, plant and equipment	3.8	3.7	15.1	14.9
Depreciation of right-of-use assets	2.9	2.8	11.3	10.1
Amortisation of intangible assets	9.5	10.2	42.0	32.2
Loss on disposal of intangible assets	0.0	0.0	0.2	0.0
Loss on disposal of property, plant and equipment	0.0	0.0	0.0	0.1
FX loss on dividend	-	-0.0	-	-0.4
Share-based payments	0.2	0.6	1.9	2.4
Equity settled employee benefit plan	0.4	0.5	1.8	2.0
Operating cash flows before movements in working capital	116.5	31.1	278.1	132.2
Decrease/(increase) in trade and other receivables	3.9	7.3	-1.3	-6.9
Increase in trade and other payables, including customer balances	8.0	5.9	51.0	21.9
Cash flows from operating activities	128.4	44.3	327.8	147.2
Net income taxes paid	-4.5	-13.8	-11.7	-26.9
Net cash generated from operating activities	123.9	30.5	316.1	120.3
Investing activities				
Interest received	0.0	0.1	0.4	0.3
Purchases of property, plant and equipment	-2.1	-2.9	-5.2	-15.6
Proceeds from sale of property, plant and equipment	-	-	-	0.1
Development and acquisition costs of intangible assets	-5.0	-6.9	-20.7	-41.4
Net cash used in investing activities	-7.1	-9.7	-25.5	-56.6
Financing activities				
Interest paid	-1.2	-1.3	-4.9	-6.6
Interest paid on lease liabilities ¹	-0.4	-0.3	-1.3	-1.2
Repayment of lease liabilities	-2.9	-2.1	-11.3	-8.6
Dividend paid	-	-56.3	-	-112.5
Proceeds from borrowings	-	72.1	-	130.0
Repayment of borrowings	-17.0	-15.0	-115.1	-92.8
Net cash used in financing activities	-21.5	-2.9	-132.6	-91.7
Net increase/(decrease) in cash and cash equivalents	95.3	17.9	158.0	-28.0
Cash and cash equivalents at beginning of period	207.8	123.4	137.8	174.3
Effect of foreign exchange rate changes	-2.6	-3.5	4.7	-8.5
Cash and cash equivalents at end of period	300.5	137.8	300.5	137.8

¹ Interest on lease liabilities has been reclassified from cash flows from investing activities to cash flows from financing activities to better represent the nature of the cash flows.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY GBP 'm	Unaudited Q4 2020	Unaudited Q4 2019	Unaudited Full Year 2020	Audited Full Year 2019
Opening balance at beginning of period	329.2	281.7	234.0	294.1
Comprehensive income				
Profit for the period	84.9	10.9	165.2	56.6
Other comprehensive income:				
Translation adjustment	-2.5	-3.4	9.2	-8.6
	82.4	7.5	174.4	48.0
Transactions with owners				
Share awards - value of employee services	0.1	-1.4	0.2	0.4
Equity settled employee benefit plan	0.4	0.5	1.8	2.0
Disposal of treasury shares	-	2.0	1.7	2.0
Dividend paid	-	-56.3	-	-112.5
	0.5	-55.2	3.7	-108.1
Closing balance at end of period	412.1	234.0	412.1	234.0



KEY RATIOS

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

	Unaudited Q4 2020	Unaudited Q4 2019	Unaudited Full Year 2020	Audited Full Year 2019
Operating margin (Profit from operations/Gross winnings revenue for the period)	27%	6%	18%	8%
Return on total assets (Profit after tax/average of opening and closing assets for the period)	9%	1%	18%	7%
Return on average equity (annualised) (Profit from operations/average of opening and closing equity for the period)	108%	21%	64%	27%
Equity:assets ratio	42%	29%	42%	29%
EBITDA margin	32%	13%	24%	14%
Unrestricted cash/EBITDA (rolling 12-month basis)	0.813	0.550	0.813	0.550
Net cash/(net debt) / EBITDA (rolling 12-month basis)	0.382	-1.210	0.382	-1.210
Employees at period end	1,564	1,666	1,564	1,666
Gross cash per share (GBP) (cash at end of period/number of shares at end of period)	1.306	0.599	1.306	0.599
Net cash/(net debt) per share (GBP) (total cash at period end less customer balances and borrowings/number of shares at end of period)	0.455	-0.674	0.455	-0.674
Operating cash flow before movements in working capital per share (GBP)	0.513	0.137	1.225	0.583
Earnings per share (GBP)	0.374	0.048	0.728	0.250
Diluted earnings per share (GBP)	0.370	0.048	0.721	0.248
Number of shares at period end ¹	230,126,200	230,126,200	230,126,200	230,126,200
Diluted number of shares at period end	232,089,717	231,864,044	232,089,717	231,864,044
Weighted average number of outstanding shares	227,154,842	226,896,346	227,023,775	226,669,514
Weighted average number of diluted outstanding shares	229,176,216	228,640,173	229,084,006	228,384,165

¹ As at 31 December 2020 the total issued shares were 230,126,200. Of these, 2,971,358 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.



NON-STATUTORY ANALYSIS OF GROSS WINNINGS REVENUE

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

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

SPORTS BETTING BY REGION	2020	2020	2020	2020	2019	2019	2019	2019	2020	2019
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	FY	FY
Gross winnings revenue										
Nordics	33.0	24.4	13.9	24.5	21.5	22.1	24.0	19.1	95.8	86.7
Western Europe	122.6	80.3	43.1	84.1	75.1	74.6	74.2	76.0	330.1	299.9
Central, Eastern and Southern Europe	13.1	10.2	5.7	10.1	9.8	10.0	8.8	8.3	39.1	36.9
Other	8.5	6.0	4.8	3.8	4.3	2.7	1.9	3.1	23.1	12.0
Total	177.2	120.9	67.5	122.5	110.7	109.4	108.9	106.5	488.1	435.5
Quarterly Year-on-Year & Year-on-Year growth %										
Nordics	53%	10%	-42%	28%	-31%	-26%	-7%	-25%	10%	-23%
Western Europe	63%	8%	-42%	11%	-9%	6%	9%	27%	10%	7%
Central, Eastern and Southern Europe	34%	2%	-35%	22%	13%	5%	11%	4%	6%	8%
Other	98%	122%	153%	23%	54%	80%	-37%	94%	93%	35%
Total	60%	11%	-38%	15%	-11%	-2%	4%	12%	12%	0%
OTHER PRODUCTS - CASINO, POKER & OTHER GAMES BY REGION	2020	2020	2020	2020	2019	2019	2019	2019	2020	2019
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	FY	FY
Gross winnings revenue										
Nordics	42.3	41.6	45.8	42.7	41.4	44.3	43.4	42.8	172.4	171.9
Western Europe	115.7	93.0	97.8	68.8	70.0	60.5	61.7	63.4	375.3	255.6
Central, Eastern and Southern Europe	20.2	15.2	15.6	11.7	11.7	10.0	10.4	10.0	62.7	42.1
Other	9.3	10.0	8.4	4.0	2.4	1.8	1.8	1.7	31.7	7.7
Total	187.5	159.8	167.6	127.2	125.5	116.6	117.3	117.9	642.1	477.3
Quarterly Year-on-Year & Year-on-Year growth %										
Nordics	2%	-6%	6%	0%	-14%	-10%	-10%	-12%	0%	-12%
Western Europe	65%	54%	59%	9%	7%	1%	12%	15%	47%	8%
Central, Eastern and Southern Europe	73%	52%	50%	17%	14%	22%	28%	33%	49%	23%
Other	288%	456%	367%	135%	118%	-14%	-31%	-11%	312%	0%
Total	49%	37%	43%	8%	0%	-3%	3%	4%	35%	1%
TOTAL BY REGION	2020	2020	2020	2020	2019	2019	2019	2019	2020	2019
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	FY	FY
Gross winnings revenue										
Nordics	75.3	66.0	59.7	67.2	62.9	66.4	67.4	61.9	268.2	258.6
Western Europe	238.3	173.3	140.9	152.9	145.1	135.1	135.9	139.4	705.4	555.5
Central, Eastern and Southern Europe	33.3	25.4	21.3	21.8	21.5	20.0	19.2	18.3	101.8	79.0
Other	17.8	16.0	13.2	7.8	6.7	4.5	3.7	4.8	54.8	19.7
Total	364.7	280.7	235.1	249.7	236.2	226.0	226.2	224.4	1,130.2	912.8
Share of total %										
Nordics	21%	23%	25%	27%	27%	29%	30%	28%	24%	28%
Western Europe	65%	62%	60%	61%	61%	60%	60%	62%	62%	61%
Central, Eastern and Southern Europe	9%	9%	9%	9%	9%	9%	8%	8%	9%	9%
Other	5%	6%	6%	3%	3%	2%	2%	2%	5%	2%
Quarterly Year-on-Year & Year-on-Year growth %										
Nordics	20%	-1%	-11%	9%	-21%	-16%	-9%	-16%	4%	-16%
Western Europe	64%	28%	4%	10%	-2%	4%	10%	21%	27%	8%
Central, Eastern and Southern Europe	55%	27%	11%	19%	13%	13%	20%	18%	29%	16%
Other	166%	256%	257%	63%	72%	25%	-34%	37%	178%	19%
Total	54%	24%	4%	11%	-6%	-2%	3%	8%	24%	1%



NON-STATUTORY ANALYSIS OF GROSS WINNINGS REVENUE

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

Gross winnings revenue by product (after free bets)
(GBP 'm)

TOTAL BY PRODUCT	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2020 FY	2019 FY
Gross winnings revenue										
Sports betting	177.2	120.9	67.5	122.5	110.7	109.4	108.9	106.5	488.1	435.5
Casino & games	170.7	145.0	150.4	112.9	112.3	104.7	105.6	106.7	579.0	429.3
Poker	8.9	6.8	9.7	7.5	5.8	5.2	4.6	5.7	32.9	21.3
Other	7.9	8.0	7.5	6.8	7.4	6.7	7.1	5.5	30.2	26.7
Total	364.7	280.7	235.1	249.7	236.2	226.0	226.2	224.4	1,130.2	912.8

Share of total %	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2020 FY	2019 FY
Share of total %										
Sports betting	49%	43%	29%	49%	47%	48%	48%	47%	43%	48%
Casino & games	47%	52%	64%	45%	48%	47%	47%	48%	51%	47%
Poker	2%	2%	4%	3%	2%	2%	2%	3%	3%	2%
Other	2%	3%	3%	3%	3%	3%	3%	2%	3%	3%

Quarterly Year-on-Year & Year-on-Year growth %	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2020 FY	2019 FY
Quarterly Year-on-Year & Year-on-Year growth %										
Sports betting	60%	11%	-38%	15%	-11%	-2%	4%	12%	12%	0%
Casino & games	52%	38%	42%	6%	-2%	-5%	2%	3%	35%	-1%
Poker	53%	31%	111%	32%	18%	18%	15%	24%	54%	19%
Other	7%	19%	6%	24%	32%	26%	16%	4%	13%	20%

Sports betting gross margins
(GBP 'm)

	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2020 FY	2019 FY
Sports betting stakes	1,771.4	1,476.1	780.2	1,143.4	1,364.3	1,218.1	1,256.3	1,340.8	5,171.1	5,179.5
<i>Sports betting Gross winnings revenue:</i>										
Live betting	89.7	71.2	33.5	58.6	59.3	62.5	64.2	64.5	253.0	250.5
Live betting margin	9.7%	9.1%	7.3%	8.9%	8.1%	8.4%	8.8%	8.3%	8.9%	8.5%
Live betting share	44.3%	50.2%	43.3%	42.2%	45.2%	49.7%	50.2%	49.7%	45.1%	48.7%
Pre-game betting	112.7	70.5	43.8	80.4	71.8	63.2	63.7	65.2	307.4	263.9
Pre-game betting margin	13.4%	10.1%	13.7%	16.6%	11.3%	13.4%	12.0%	11.5%	13.1%	12.3%
Pre-game betting share	55.7%	49.8%	56.7%	57.8%	54.8%	50.3%	49.8%	50.3%	54.9%	51.3%
Total before free bets	202.4	141.7	77.3	139.0	131.1	125.7	127.9	129.7	560.4	514.4
Sports betting margin (before free bets)	11.4%	9.6%	9.9%	12.2%	9.6%	10.3%	10.2%	9.7%	10.8%	9.9%
Free bets	-25.2	-20.8	-9.8	-16.5	-20.4	-16.3	-19.0	-23.2	-72.3	-78.9
Total after free bets	177.2	120.9	67.5	122.5	110.7	109.4	108.9	106.5	488.1	435.5
Sports betting margin (after free bets)	10.0%	8.2%	8.7%	10.7%	8.1%	9.0%	8.7%	7.9%	9.4%	8.4%

Total margin (all products)
(%)

	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2020 FY	2019 FY
Total margin (all products)										
Total margin all products* (before free bets)	5.2%	4.7%	4.2%	5.3%	5.1%	5.1%	5.1%	5.0%	4.9%	5.1%

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

