

Kindred Group Press Release

Malta, 25 July 2023

Scalability of business evident as revenue growth returns

Kindred Group plc – Interim report: January – June 2023 (unaudited)

Second quarter 2023

- Total revenue was GBP 307.3 (238.7) million, an increase of 29 per cent.
- Gross winnings revenue (B2C) increased by 28 per cent to GBP 298.3 (233.5) million. Excluding the Netherlands, it increased by 1 per cent.
- Underlying EBITDA increased by 120 per cent to GBP 55.7 (25.3) million.
- Profit before tax was GBP 33.1 (7.0) million.
- Profit after tax was GBP 27.7 (5.8) million.
- Earnings per share were GBP 0.13 (0.03).
- 1,547,000 shares/SDRs were purchased, with a total value of SEK 189.9, or GBP 14.1, million.
- Free cash flow amounted to GBP 3.0 (-5.1) million.
- Number of active customers increased by 17 per cent to 1,561,444 (1,336,706). Excluding the Netherlands, active customers remained flat.

First half 2023

- Total revenue was GBP 613.7 (485.4) million, an increase of 26 per cent.
- Gross winnings revenue (B2C) increased by 25 per cent to GBP 595.6 (475.9) million. Excluding the Netherlands, it remained in line.
- Underlying EBITDA increased by 111 per cent to GBP 105.1 (49.8) million.
- Profit before tax was GBP 63.5 (14.6) million.
- Profit after tax was GBP 53.3 (12.2) million.
- Earnings per share were GBP 0.25 (0.06).
- 3,833,000 shares/SDRs were purchased, with a total value of SEK 443.7, or GBP 34.2, million.
- Free cash flow amounted to GBP 32.0 (-10.6) million.

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

Website : www.kindredgroup.com

Registered office: c/o Camilleri Preziosi, Level 2, Valletta Buildings, South Street, Valletta, Malta. Company No: C 39017. Registered in Malta.



Interim CEO Nils Andén comments the second quarter of 2023

“The strong start to the second quarter has remained throughout most of the period with the first two months being particularly strong. June was slightly slower due to normal seasonality creating a lack of sports events, including Wimbledon only taking place during the third quarter this year. Continued focus on a strong customer offering has resulted in revenue increasing 29 per cent to GBP 307.3 million compared to the same period last year.”

“As revenue increases, we see the true scalability of our business model. Together with the actions taken at the start of the year to optimise our cost base proving to be effective, underlying EBITDA reached GBP 55.7 million, representing a margin of 18 per cent, or 20 per cent excluding North America. We reiterate our underlying EBITDA guidance for the full year 2023 of at least GBP 200 million.”

“Performance was positively impacted by an increase in sports betting along with favourable sports results. In addition, the increased popularity of the Betbuilder product, changing market mix, lower bonus costs, and continued optimisation of trading, has improved the sports betting margin, which reached 11.3 per cent for the quarter.”

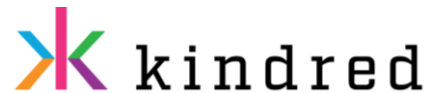
“The diversity of our market portfolio provides stability across the Group with particularly strong performance in several markets including the UK, Denmark, the Netherlands and Romania. While the challenges experienced in Belgium and Norway during the first quarter remain, signs of improvement are seen in Belgium. Excluding Belgium and Norway, we saw strong Gross winnings revenue growth for the Group of 41 per cent, and with the Netherlands also excluded Gross winnings revenue increased 7 per cent.”

“We are currently amid a great customer acquisition opportunity with the Women’s World Cup taking place in Australia and New Zealand. Following the huge success of the Women’s Euros last summer, we see how Women’s football is growing in importance and influence. With the major leagues kicking off in August and September, we can look forward to improved activity towards the latter part of the quarter.”

Trading update up to and including 23 July 2023

The average daily Gross winnings revenue for the Group, up to and including 23 July 2023, was GBP 2.93 million, 1 per cent lower (1 per cent higher in constant currency) than the daily average for the full third quarter of 2022.

Sports betting Gross winning revenue has been positively impacted by a stronger sports betting margin of 11.6 per cent after free bets for the above period, compared to 9.9 per cent for the full third quarter of 2022.



Kindred Group's presentation of the interim report

Kindred Group's Interim CEO Nils Andén and Interim CFO Patrick Kortman will host a web presentation in English at 10.00 (CEST) which is webcasted live on <https://www.kindredgroup.com/Q22023>.

To access the telephone conference in connection with the presentation, please register at <https://conference.financialhearings.com/teleconference/?id=5009378>. After registration you will be provided phone numbers and a conference ID to access the conference.

Please call in well in advance for registration. There will be an opportunity to ask questions after the presentation.

This disclosure contains information that Kindred Group is obliged to make public pursuant to the EU Market Abuse Regulation (EU No. 596/2014) and the Swedish Securities Markets Act (2007:528). The information was submitted for publication, through the agency of the contact person, on 2023-07-25 07:30 CEST.

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About Kindred Group

Kindred Group is one of the world's leading online gambling operators with business across Europe, North America and Australia, offering over 30 million customers across 9 brands a great form of entertainment in a safe, fair and sustainable environment. The company, which employs approximately 2,500 people, is listed on Nasdaq Stockholm Large Cap and is a 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.

Nasdaq Stockholm, KIND-SDB

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