

February 26, 2025

Kambi Group
Q4 2024



Speakers



Oscar Rönnkvist
Analyst | ABG



David Kenyon
CFO | Kambi



George Attling
Analyst | Pareto



Mattias Frithiof
SVP Sustainability and Investor Relations | Kambi



Werner Becher
CEO | Kambi

Prepared Remarks

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

Good morning, everyone, and welcome to Kambi's Q4 presentation. My name is Mattias Frithiof. I am SVP, Sustainability and Investor Relations. I'm here today with our CEO, Werner Becher, and CFO, David Kenyon. We will start with the presentation, and then we will have time for your questions. If you wish to ask a question, please press pound key five on your telephone, or you can write them to me in the chat. So the agenda for today: we will start with some highlights with Werner, and then David will speak about the financials and the outlook for next year. Then Werner will come back and speak about some commercial and strategic updates, as well as the summary. Following that, we will have time for the Q&A. With that, I hand over to Werner.

**Werner Becher**

CEO | Kambi

Thank you, Mattias, and good morning. In recent months, we have been continuing to build strong foundations for the future. We delivered a robust financial performance in Q4 in the face of various headwinds. Revenue of EUR 44.5 million was supported by another quarter of strong operator trading margin. So today, we increased our expected long-term trading margin. It was great to see the Brazilian market go live at the start of the year, and we are live with a number of partners, including recent signings, Stake, and KTO. Early in Q4, we signed an Odds Feed+ deal with Hard Rock Digital in the US, along with Rei do Pitaco in Brazil.

**Werner Becher**

CEO | Kambi

And finally, just a couple of days ago, we entered a novation agreement with Ontario Lottery and Gaming Corporation and FDJ Group, which, pending some conditions, will see us take over the long-term contract from FDJ Group, presenting an exciting opportunity for us. Meanwhile, we continue to address our cost base by realizing further synergies and implementing efficiency measures in all areas of our business. 2024 was certainly an eventful year at Kambi, during which we were able to lay the foundations for future success, which I'd like to summarize on this slide. There has been some change within leadership. At the AGM, Anders Ström was confirmed as Chair, while Kristian Nylén took up a seat on the board, having early indicated he would step down from his position as CEO.

**Werner Becher**

CEO | Kambi

As the two co-founders of Kambi, and with huge knowledge of the industry, it's great to have their continued involvement in the business. We were also grateful to have industry veteran Benjie Cherniak join the board. His experience in the sports betting space over many years has been invaluable. And of course, I succeeded Kristian late July, and I too made a few appointments as I looked to build a team capable of taking Kambi to the next level. In September, we unveiled our new product portfolio, an important step on Kambi's journey to becoming the home of premium sports betting solutions. The Turnkey Sportsbook is our flagship product and one which gives all our modular solutions a clear edge over the competition.

**Werner Becher**

CEO | Kambi

The new models are already opening doors to operators that had been closed to us as a pure turnkey supplier, while they will also play a strategic role in helping us retain relationships with operators who decide to move away from the turnkey, Rei do Pitaco being a recent example of it. As ever, we made some key new Turnkey Sportsbook signings with the likes of KTO and Stake in Brazil, along with U.S. tribe Choctaw Nation. We signed some important partnership extensions, as those with Rush Street Interactive and PENN Entertainment. In recent days, we also announced an extension with BetCity, part of Entain Group. And we signed various partnerships across our product portfolio, including those with Hard Rock Digital, Rei do Pitaco, Kindred, and Svenska Spel.

**Werner Becher**

CEO | Kambi

Of course, we've seen some movement in the opposite direction with LeoVegas in the summer, informing us that they are set to transition off our turnkey over the next couple of years. But the foundations we are laying, the diverse customer base we are building, will further reduce the reliance we have had on a small number of large partners. And finally, we focused even more on building out our unique AI capability at Kambi. AI is not a buzzword for us. We are currently using AI to manage our largest sport, soccer, and over the next few quarters, we'll extend this step by step to additional sports. As a result, improving our product while also reducing costs.

**Werner Becher**
CEO | Kambi

As I'll explain a little later, AI is transforming the way we price, trade, and risk-manage markets, particularly those that are more complex and almost impossible for humans to run effectively, such as bet builders and player props. AI today already drives approximately 30% of our operator GGR, and that's only going to increase over the next quarters. From an operational perspective, we are also increasingly embracing how AI can improve how we perform our day-to-day tasks, enabling us to be even more efficient and productive. Handing over to you.

**David Kenyon**
CFO | Kambi

Thank you, Werner. Good morning, everyone. Revenue for Q4 was €44.5 million, up from €44.3 million in Q4 last year. For the full year, revenue was €176.4 million, up from €173.3 million last year. With our OpEx in line with our guidance, this led to earnings before interest tax and amortization on acquisitions, which I'll call EBITAC from now on, of €7.1 million and €25.3 million for the full year, in line with 2023. Our EPS was €0.515, up from €0.488, benefiting from the buybacks we carried out during the year. And our net cash position at the year-end was €61.3 million, with our balance sheet remaining in a very healthy position. Here is the Operator Turnover Index for the Turnkey Sportsbook, and it aggregates the performance of all the operators we work with. On the turnover, the turnover level was 778 on the index.

**David Kenyon**
CFO | Kambi

This was up 13% from Q3, benefiting from the usual seasonality of the sporting calendar, with a full quarter of NFL, NBA, and college basketball. The growth was mitigated from Q3 to some degree by Q3 having the final stages of the Euros and the Copa America, and also the introduction of tighter regulatory conditions in the Netherlands from October. The operator trading margin across the network was 10.1%. Although there were player-friendly results in American football, they were favorable for us soccer results, and we also saw an increased use of higher margin products, for example, bet builders. Our cash at the start of the quarter was EUR 60.5 million. We repurchased shares during the quarter to a value of EUR 3.3 million, but nevertheless, driven by our operating profits, cash increased to EUR 61.3 million by the end of the quarter.

**David Kenyon**
CFO | Kambi

We announced a new buyback program for up to €12 million in November, which will run through to the AGM in May. This was in line with the capital allocation policy to return capital to our shareholders. By the time of the AGM, we will have returned an accumulated €38 million since we first started the buyback programs. Here I'll present the outlook for 2025. Firstly, you'll see that we're presenting for the first time an EBITAC metric as our outlook. This metric represents the underlying profit of the business, and I think it's more relevant right now for the business, given the volatility in some of the revenue factors, which I'll come to, in terms of new signings, new products, operator migrations, the changing regulatory landscape, and new gaming and other taxes.

**David Kenyon**
CFO | Kambi

Having this EBITAC metric allows us to manage our cost base to help achieve the numbers I'll set out here. Oops. Go back. Sorry. EBITAC is calculated by excluding amortization on the acquired intangibles, which is a non-cash acquisition-related expense, and this adds back around EUR 5.2 million to our EBIT. So firstly, the factors affecting our revenue this year. In terms of organic growth, the first thing to mention is the impact of the increased operator trading margin we expect, which will grow from just under 10% to our new expected level in the range of 9.5% to 11%. Secondly, we see general network growth in the operator turnover across the network, which contributes to this organic growth pile in the waterfall here. And lastly, there was a full-year effect of the 2024 launches, including Svenska Spel and LiveScore, which both went live mid-2024.

**David Kenyon**
CFO | Kambi

In terms of the 2025 launches, there are various elements. Firstly, Brazil, where we see revenues starting from both KTO and Stake. Then there's the Odds Feed+ product, where we're also starting Q1 with revenues from Hard Rock Digital and Rei do Pitaco. There are other smaller launches also included in this pile here, and finally, OLG, which we announced this week, which assumes a second half of the year go live. We also mentioned we'll actually see a non-recurring cost of €2-€3 million in relation to this launch, which is needed for product and front-end development and some retail integration, and which we'll show as an item affecting comparability as it's a pure one-off.

**David Kenyon**

CFO | Kambi

In terms of transition fees, we've talked about these in the past, but particularly PENN National Gaming, where we received seven months of fees in 2024, and Napoleon Sports & Casino, where we received a full year of fees. Both of these are non-recurring headwinds. In terms of operator migrations, as Werner mentioned, we're expecting impacts from both Kindred and LeoVegas. Here in 2025, the bigger impact is from Kindred, where we've already seen the exit of the dot-com and U.S. markets, and we expect potentially certain more migrations in the second half of the year, although the timing is at this stage uncertain. In terms of LeoVegas, we see a small impact in 2025, and there are some other small customer churn factors also accounted for here.

**David Kenyon**

CFO | Kambi

This particular headwind can be expected to grow in 2026, as the Kindred contract comes to an end at the end of that year, and the Leo migration could accelerate in 2026. Gaming tax and other includes a variety of factors also. Firstly, Colombia, where there was a recently introduced 19% VAT on deposits. The impact that this will have on player behavior and the market, all in all, is uncertain, but we estimate a €3-€5 million impact on our revenues in 2025. There have also been other gaming tax increases which will affect us, notably in Sweden, the Netherlands, and Illinois, with also expected tax raises in Ohio and Indiana. And this pile also includes the previously mentioned impact of commission rate changes upon renewal of certain key partners. Moving now to the costs. Firstly, there were some inflationary pressures on our cost base.

**David Kenyon**

CFO | Kambi

We expect a EUR 2 million increase in the data costs as we grow our client network. Each client comes with some fixed costs in the data that's driving that increase. We also expect an increase in our infrastructure costs, particularly in terms of network cloud costs to service the level of operators, data, and territories in our forecasts, including Brazil and OLG, but that said, as Werner mentioned, we've undergone a quite major cost-saving initiative to realize synergies and efficiencies across the business. 65 roles have already left the business, and we've made savings in a wide range of areas. We'll continue to seek more efficiencies, but this program enables us to anticipate a cost decrease despite the inflationary factors I mentioned, and we expect total expenses to fall from EUR 156.3 million to the range of EUR 150-155 million.

**David Kenyon**

CFO | Kambi

All in all, there are a number of revenue headwinds, some of which are temporary, but we have strong commercial momentum across the product portfolio, and with the cost-saving initiative, we're taking an active step to maximize our efficiency. On this basis, we estimate EBITAC for 2025 in the range of €20-€25 million. With that, I'll pass you back to Werner.

**Werner Becher**

CEO | Kambi

Commercial momentum is a term overly used, but this certainly applies to Kambi at this time. At the end of Q3, we launched our new product portfolio, and we are already seeing great interest. We are very excited about the prospects for our Odds Feed+ product. As I explained in the previous quarter, there are various benefits to what we offer compared to alternative suppliers, not least our EUR 17 billion network turnkey liquidity and that our odds are traded on it. A volume of data points needed for AI, only very few in the industry have. In Q4, we signed with Hard Rock Digital and Rei do Pitaco, two Odds Feed+, with both live in January, and the sales pipeline here looks promising.

**Werner Becher**

CEO | Kambi

In continuing to build up on our strong relationship with tribes, we signed a turnkey sportsbook partnership agreement with Wind Creek in Illinois, and Choctaw Nation will add our native front end solution to their sportsbook and casino. Moving to Q1, it's been an incredible busy start of the year. I've already mentioned the launch in Brazil, and in parallel, we signed a turnkey sportsbook partnership with Stake. Stake is one of the largest operators in the world, ranked top 20 in the EGR power rankings. The operator is now focused on building out its regulated business and selected Kambi to be its partner in certain regulated markets, starting with Brazil. This partnership relates to licensed markets via real money payments only, but Stake certainly has the capital to invest in growing this regulated business over time.

**Werner Becher**

CEO | Kambi

eSports is another modular product within our portfolio that's been gaining traction, illustrated by the recent agreement with Kindred Group. Kindred will integrate Abios-powered eSports to its in-house sports book. Part of the eSports package is eSports odds, which Kindred will take via our Odds Feed+ API, making it very easy for Kindred to take also odds from other sports from Kambi in future. This Kindred deal comes shortly after Svenska Spel also added an eSports package to its turnkey sports book. And most recently, in Q1, we signed a multi-year extension with BetCity, one of the largest sports books in the Netherlands. BetCity was acquired by Entain in 2022. So that BetCity has decided to remain on the Kambi platform for another period of time underscores the quality of our product and services.

**Werner Becher**

CEO | Kambi

On Monday, we announced that we had entered into an innovation agreement with Ontario Lottery and Gaming Corporation and FDJ Group to take over FDJ sportsbook responsibilities to OLG, pending certain conditions. In short, once we've satisfied these conditions, which we are very confident we will, we will become the new sportsbook partner of OLG, an operator of significant size and stature with a contract running until 2032. Up until 2022, OLG, with its Proline brand, held the sports betting monopoly in the Canadian province. It operates a large retail business through approximately 10,000 outlets, where the majority of its sportsbook revenue is generated. Following the re-regulation of sports betting in Ontario, the online market has become much more competitive. I believe there is a great opportunity for OLG to strengthen its position also in the online space with Kambi.

**Werner Becher**

CEO | Kambi

As mentioned from David, there is an initial non-recurring cost implication of around €2-€3 million, which is related to certain product adaptation and integration, pool betting product integration into the lottery application, etc. All being well, we should launch in the second half of the year. We also recently gained the license required to enter the Nevada market after receiving approval from the state regulator. This brings to an end an extensive process, with the regulator leaving no stone unturned in its thorough checks to ensure only the most compliant and transparent businesses can operate throughout Nevada. We are delighted to have cleared Nevada's higher regulatory bar. Look forward to commencing operations there, which we expect will begin with the field tests at Bally's Lake Tahoe in the coming quarters.

**Werner Becher**

CEO | Kambi

In what's yet another example of our commitment to regulated market, in Q4, the percentage of Kambi's revenues coming from licensed markets reached 98%, a number which will only be strengthened moving forward by our recent launches in Brazil. I'm delighted to say from day one, from 1st of January on, Kambi is live in the licensed Brazilian market. At present, we are live with five partners in Brazil, four with our turnkey sportsbook, BetMGM, BetWarrior, KTO, and our new partner Stake, along with Rei do Pitaco with Odds Feed+. With a large population and a love for sports, particularly soccer, Brazil is a country of great potential for Kambi, and we are very happy with the collection of partners we are supporting there.

**Werner Becher**

CEO | Kambi

As we anticipated prior to launch, the market will take some time to reach its full potential, with operators currently contending with various compliance testing issues, which tends to be the case in newly regulated markets. However, there are signs that the situation is improving. Turnover has been steadily up on the rise, and please don't forget that Brazilian soccer is currently on summer break, and the new season will only start at the end of March. Following a series of historically high operator trading margins, today we are raising our expected operator trading margin from 8%-9% to 9.7%-11%. There are two main reasons for this. First, a more structural change where our players are increasingly betting on higher margin products like Bet Builders, meaning a higher theoretical margin.

**Werner Becher**

CEO | Kambi

Second, our ability to not only offer all these complex products, but also to deliver an actual margin getting very close to that of the theoretical margin, so offering a financially secure and profitable, very profitable way for these products. One way to illustrate this is by showing you the increase in pre-match soccer bet builders in recent years, which was responsible for 16% of turnover in 2024, up from 10% last year, and fast approaching 30% of operator GGR, up from 21% in the year before. All the related contingencies involved in bet builders and other cross-sports multi-party products make these very complex products to price, trade, and risk manage effectively, something we believe is fast becoming impossible to do by human-driven trading systems and static algorithms.



Werner Becher

CEO | Kambi

Through fully AI-powered automation, Kambi is able to offer a broader product while simultaneously managing the odds and liabilities to deliver healthy margins. We've seen the results of this for a number of months now, including the current quarter, giving us confidence to raise our long-term expected operator trading margin. So to recap, we closed out the year with a robust financial performance, a strong cash position, and we continue to turn capital to shareholders through our buyback program. We have initiated an efficiency program and will continue to reduce costs going forward. We are seeing great commercial momentum across our product portfolio with recent partner signings supporting long-term revenue growth. These elements and more demonstrate how we are building strong foundations for the future. Thank you, Werner. And with that, we open up for questions.

Q&A

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

Please remember, if you wish to ask a question, press pound key five on your telephone or continue to write in the chat. So the first question comes from Oscar Rönnkvist at ABG. Please go ahead.

**Oscar Rönnkvist**

Analyst | ABG

Perfect. Thank you very much. My first question would be on the guidance on the revenue side. So first, the bars on organic growth and 2025 launches. So just wondered a little bit about the assumptions. Have you sort of put out the figures that you feel very comfortable with delivering, or is it more like a midpoint of your expectations? So you're just trying to get a sense of any potential conservative assumptions or not?

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

No, I'd say, hi, Oscar. I'd say this is pretty much the midpoint of our assumptions. There are, of course, some uncertainties in the numbers, which is why we have to end up with a range, but only €5 million on EBITAC for the full year. But yeah, this is the midpoint of our assumptions.

**Oscar Rönnkvist**

Analyst | ABG

All right. Perfect. And also on the 2025 launches bar, just wondered if that excluding any unannounced signings, or do you need to put out more signings during 2025 and more launches to reach that number?

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

Yeah, there was a little bit built in there for more signings and kind of as yet unlaunched, but the vast majority of that, I'm pleased to say, is under contract. Now, potentially also included with the OLG signing, so the vast majority, I'd say, is relatively secure, but there are, yeah, we still, of course, hope to sign some more during the year and get them launched during the year.

**Oscar Rönnkvist**

Analyst | ABG

Got it. Perfect. And then just on, if you could repeat a little bit on the migration. So you expect Leo, was that the decline was supposed to accelerate in 2026, but already start in late 2025? Was that the correct assumption?

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

Yes. In our working series, it's quite a small impact in 2025, but anticipated that probably will accelerate in 2026. But yeah, in these numbers here, it's actually the majority is more from the Kindred migration.

**Oscar Rönnkvist**

Analyst | ABG

Okay, so the majority of the migrations is Kindred related, and that would be more towards the latter part of 2025 as well?

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

You have the markets they've already exited, which impacts on the 2025 numbers, so both US and the dot-com markets. Then we have some expectation there may be more migrations. We're not sure exactly when, but likely second half of the year. We've made an estimate there.

**Oscar Rönnkvist**

Analyst | ABG

Yeah. Got it. I know that you may not be able to answer this, but can you say anything on the EUR 55 million minimum guarantees? Is that a very low assumption for the 2024 to 2026 accumulated revenue now that it feels like the big sort of migration is happening maybe a little bit later than they initially expected?



Mattias Frithiof

SVP Sustainability and Investor Relations | Kambi

Hard to comment on that, really. We don't know the exact timings and whether it'll all be done by the end of 2026 at this stage. But in terms of the €55 million, it's certainly front-loaded to some degree as the migration happens later in that period. So that's why we talked about that headwind as being the one that could potentially increase in 2026.



Oscar Rönnkvist

Analyst | ABG

Yeah. Perfect. Just also a little bit data on the Colombia VAT. And I mean, you also interpret it to be only impacting 2025, and then you can get sort of a relief maybe into 2026. That's correct. And also, that's not a cost for you, right? It's just that it could be some lower channelization due to that. Is that the €3-€5 million impact that you expect?



Mattias Frithiof

SVP Sustainability and Investor Relations | Kambi

Correct. Yeah. That's exactly as we see it. Yeah.



Oscar Rönnkvist

Analyst | ABG

Got it. Thank you. That was all for me. Thank you.



Mattias Frithiof

SVP Sustainability and Investor Relations | Kambi

Thank you. Thank you, Oscar. And then we move to George from Pareto, please.



George Attling

Analyst | Pareto

Good morning, and thanks for taking my question. So just to clarify that contribution from Leo and Kindred in 2025, how much will that in absolute terms in the waterfall?



Werner Becher

CEO | Kambi

We haven't put specific numbers on it, but I mean, the graph is to scale, and obviously, it does end up at a range. So none of those numbers are meant to be kind of exact numbers. But I think it's in the region of, if you get your ruler out, in the region of EUR 10 million, I think, for that total migration impact.



George Attling

Analyst | Pareto

Yeah. And most of that related to Kindred. And in Q4, could you comment anything on the growth excluding Kindred?



Mattias Frithiof

SVP Sustainability and Investor Relations | Kambi

Year on year or versus Q3? Are you interested in?



George Attling

Analyst | Pareto

Year on year.



George Attling

Analyst | Pareto

Year on year. Yeah. I mean, all in all, I would say it was kind of flat year on year in total. But there was some impact. Yeah, probably one of the single biggest impacts versus Q4 was Kindred, both in terms of the markets they left and the impact of the new regulatory conditions in the Netherlands, which came in October. So that probably was the single biggest kind of headwind we faced on the operator turnover.



George Attling

Analyst | Pareto

Okay. But it was flat excluding Kindred also. I assume you have lower revenues from Kindred in Q4 this year compared to last year.

**David Kenyon**

CFO | Kambi

I'm just saying flat in total, but within that, there was a headwind from the Kindred turnover.

**George Attling**

Analyst | Pareto

Okay. And on the sports betting margin guidance, what's your sort of comfort in these new numbers? Because you're obviously not the only player in the industry that's seen quite high margins in 2024. If you could just talk about how comfortable you are in putting out that new guidance.

**Werner Becher**

CEO | Kambi

We feel very confident about this new margin guidance, so having followed rising margin already over some quarters now, especially now seeing the performance of our Tzeract-powered fully automated AI solutions, we're even more confident that the broader product we can supply to customers and the very healthy margin with AI-powered tools we will be able to deliver will even further increase the margin going forward.

**George Attling**

Analyst | Pareto

Okay. And just some more color on the OLG signing here, because you take over that contract from FDJ. Is there any component of RevShare or similar to that? Because I guess FDJ could have given it to some of your competitors also who probably would be willing to pay for it.

**David Kenyon**

CFO | Kambi

Yeah. So in 2022, OLG ran a public tender, and FDJ was the winner of this tender. But after FDJ decided to fully focus on B2C business, FDJ internally, they run a process, and we're very proud that the selected Kambi is being recommended to OLG as their successor. We entered now into this innovation agreement. So there are some more documents to be signed in the next few weeks and months, and they are under certain conditions. But the commercially sensitive information, of course, I can't share here.

**George Attling**

Analyst | Pareto

Okay, but you can't comment if there's any financial compensation to FDJ here?

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

From Kambi? No.

**George Attling**

Analyst | Pareto

Yeah. Okay. And on that one-time cost related to this signing, I don't really follow why that's a one-off. I assume you have similar costs when going live with other clients.

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

Yeah. I mean, I think it's really outside what we need to build to fulfill that contract, outside the normal scope of what we do for our network. So it really is a one-off to secure that contract, the work we need to carry out. And that cost will end. It'll be finite within the year, and it will end.

**George Attling**

Analyst | Pareto

Yeah. But surely you have upfront costs for other signings as well if they're big and they want to tailor to their needs.

**Werner Becher**
CEO | Kambi

Yeah, but as you know, we run a multi-tenant solution, and onboarding new customers doesn't normally come with a lot of effort for us. It's about integrating into the PAM. That's what is standard and what we're used to, but looking to a more complex landscape we are now facing with OLG, especially to provide a pool betting product to them and also to integrate fully into their lottery application and into their 10,000 retail shops is a little bit out of scope what we normally do.

**George Attling**
Analyst | Pareto

Okay. That's clear. Just a final question, more of a high-level question, I guess, because we've seen the rise of Polymarket and all of these other crypto-related betting sites. Could you comment on your views and takes on this sort of rise and a new competitor?

**Mattias Frithiof**
SVP Sustainability and Investor Relations | Kambi

Yeah. So of course, we follow these developments in the U.S. very closely. I think it's very unclear for everyone if betting is now allowed in 50 states of the U.S., yes or no. I think it's important to understand that prediction markets work in a very different way than, let's say, managed sports books are. Their offering is normally very small. It's yes, no. And the offering is also still very small. But of course, being allowed to offer in states where betting is not regulated already today could be a threat for the existing betting operators in the U.S. if others take over market share very early in these unregulated states already. But it could be also an opportunity that drives regulation even faster in the U.S.

**George Attling**
Analyst | Pareto

Yeah, and you're not interested in expanding your offering to have something similar to that?

**Mattias Frithiof**
SVP Sustainability and Investor Relations | Kambi

Yeah, for sure we are.

**George Attling**
Analyst | Pareto

Okay. That's all I have. Thank you very much.

**Mattias Frithiof**
SVP Sustainability and Investor Relations | Kambi

Thank you, George. So there are no more questions on the telephone, so we will move over to the chat. First question is regarding the cash position and the future of buybacks. So we have previously indicated cash position of around EUR 40 million is appropriate. So maybe, David, if you can comment about the future of the cash position and potential additional buybacks.

**David Kenyon**
CFO | Kambi

Yeah. To start with, I mean, we have over EUR 60 million on the balance sheet at the year end. But we also have a, the board announced a EUR 12 million buybacks program, and we've still got much of that to use. So EUR 8.7 million of that is still to run from the year end through to the AGM. So we'll put that EUR 60 million to good use for more buybacks.

**David Kenyon**
CFO | Kambi

And then we'll probably quite likely seek further mandate for next year at the AGM to be confirmed. That €40 million, I mean, that should grow with the business. So as the business gets more complex, more operators, more diverse, more products, that number can maybe increase. But I think we'll always try and set a sensible balance where that number is, €40 million, €45 million, maybe €50 million when we get bigger.

**David Kenyon**
CFO | Kambi

And second question is about the relationship with Kindred and FDJ. So you seem to have a good relationship with additional contracts. What does the future look like with this relationship? And could you take over potentially other clients from FDJ as well? Yeah. So first of all, I think everyone will understand working with these guys now for many years. They're probably already friends, right?

**David Kenyon**

CFO | Kambi

So for sure, we're very close to them, and we are in continued talks with them about how to also support them long-term going forward in the future with our modular products. So yes, FDJ announced that they will fully focus on B2C, and we are happy that FDJ selected us as their successor for OLG. There are a lot of opportunities for us out there now, but I think it's too early to speculate about how many of them we will secure for Kambi. Thanks. And next question for you, David. Could you maybe pan out a little bit how the year will play out on the guidance? Previously, you have provided the operating cost guidance per quarter. So could you maybe say, is there more to come in the second half of the year, or what does the sort of quarter-by-quarter look like a little bit? Yeah.

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

That's a good question because that outlook we gave 2025, I think it will be quite backloaded. And that's for two main reasons. One is the seasonality of the sporting calendar. We see every year Q4 is when you really see the revenue growth because of that seasonality. And then also those cost initiatives, which I mentioned, we're going to keep looking at more efficiencies. So the benefit of those cost savings will become more apparent during the year. So those two factors mean it will look a little bit backloaded. So that's what we should expect. Thank you. And next question for you, Werner. You served as CEO since mid-2024. What do you see as the greatest opportunities for both growth and improvement going forward? I would say two things.

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

So what I heard from so many customers in my first few months is that Kambi offers by far the best product out there. This is, of course, a very strong position we are in. I think offering now a broader portfolio of products, especially our Odds Feed+ product, getting a lot of traction on the market now, is a very good opportunity for us. But as I mentioned earlier in this call, I think that Kambi started already three years ago to go full in on AI and to become AI-first company is also very, very important. We run the five biggest sports books on this planet. And for AI, it's so important to have big data. Without big data, you can't really use AI.

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

And only a few companies, including Kambi, are in a position and will be in a position in the future to fully leverage the capabilities of AI, which will bring us even a stronger position.

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

Thanks. And next question is about the Odds Feed+ product. What sports have you already launched, and will we see more? Yeah. So we have launched all sports. But as explained in the last quarterly earnings call, the Odds Feed+ model on the market is a very different one to the turnkey model. For the turnkey model, we normally sign multi-year deals, and we are the exclusive partner of operators out there. When it comes to the Odds Feeds, we are in a daily competition with other Odds Feed+ providers and suppliers.

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

Operators benchmark us every day against our competitors out there, and they pick and choose and select which sports, which markets they want to have delivered from us. But as mentioned, our Odds Feed+ product is the only one being fully traded on this huge betting liquidity we have in our turnkey product makes us very, very confident that having tested the first few sports with our Odds Feed+ product, that operators will take more and more. We can add maybe that if we're successful, as we think we're going to be, that will also add to that backloading effect on EBITDA through the year. Yeah. Question, second question about sort of FDJ a little bit and monopoly and lottery contracts.

**David Kenyon**

CFO | Kambi

Do we think that we have a bigger chance of winning these now than a few years back, or has anything changed, or is it just business as usual and you win some and you lose some? No, I think so. So first of all, we want to diversify our customer structure. We do not want to be reliant on a few large customers anymore in the future. So lotteries are a very important target group for us with ATG, with Svenska Spel, and also with Ontario Lottery. We have now some really nice Postcode Lottery clients in this area. And we know that also a lot of other lottery operators are seeing more and more competition in their home markets. So to not only have any betting product, but a premium product is getting so much more important for them.

**Mattias Frithiof**

SVP Sustainability and Investor Relations | Kambi

So yes, I see lotteries for us as a very important target group going forward. Thank you. And then a question about the potential in Nevada and what we see the market there and potential clients and customers and development. Yeah. So Nevada is relevant for us and important for us for two reasons. One, Nevada licensing is the clear gold standard in our industry. So not too many B2B suppliers in the betting space are licensed in Nevada because the regulatory bar is so high to get this license. So it's something like showing clearly that we have an outstanding compliance offering for our customers and they can feel safe that they're always compliant. And of course, the Nevada market, seeing only very few B2B competitors there being licensed, is also an interesting market for us going forward.

**Werner Becher**

CEO | Kambi

We'll start a field test, most probably with Bally's Lake Tahoe in the next few quarters. And then let's see. Thanks. Next question is about Colombia and the €3-5 million headwind from the VAT. Others have communicated a more neutral impact. Is the €3-5 million extremely conservative in the EBITDA gain? Should we assume something else? I don't think so. So a 19% VAT tax on deposits is heavy. It's very heavy. So to not expect any influence on user behavior, deposits, revenues, I don't get it, to be honest. So yes, we don't know today how big the impact will be. But I think Rush Street announced already a few days ago that they also expect a relevant impact, and we expect also a relevant impact. How much bonusing and features keeping sports fans active will help to balance this risk, we will see. Thanks.

**David Kenyon**

CFO | Kambi

So we've had a lot of headwinds for the last couple of years, and I guess also in 2025. Can you mention anything about coming into 2026 and 2027? What does the future hold? Yeah. I'm not sure if we talked so much about headwinds. Probably the image is a little bit wrong here. I think to accept some churn is not something we should be surprised about. That's part of every business out there. Looking to the new signings we did continuously over the last years, we lost DraftKings, we lost Penn. We now will lose Kindred, we'll lose BetMGM, but we're still growing, right? Shows how strong I think our sales pipeline always is. Also now with Stake, with Hard Rock, with Ontario, we have a very clear track record to bring in a lot of new business.

**David Kenyon**

CFO | Kambi

So yes, there is some short-term challenge to be managed in the next, let's say, 18 months. But we are very optimistic about all the new business we're bringing in for turnkey as well as for our new products. Thank you. And then the last question. The agreement from Abios to supply Kindred, does it give you any further confidence around your ability to continue to work with Kindred post-migration? Or more broadly, does it give you confidence that you can continue to serve customers via modules after migration? Absolutely. So the clear goal is to, first of all, address with our Odds Feed+ product in-house sports books, where we were closed out in the past, only offering a turnkey solution. So this is one target group. But for sure, to retain existing customers who decided to go in-house is the second angle of our attack here.

**David Kenyon**

CFO | Kambi

Kindred, LeoVegas, I called them friends a minute ago, right? For sure, we are in close talks with all of them. And they know the quality of our products, of our odds, of our trading very good. So I feel very comfortable that we will keep them as long-term partners on board, but negotiations are ongoing. Thank you. Those were all the questions that we had time for today. Thank you all for listening in. Thank you for presenting. And we look forward to seeing you in the next couple of days. Or otherwise, we have our representation, our Q1, on the 30th of April, and we'll see you then. Thank you very much for the day.