

November 6, 2024

# Kambi Group

Q3 2024



## Speakers



**David Kenyon**  
CFO | Kambi Group



**Martin Arnell**  
Senior Equity Analyst | DNB



**Oscar Rönnkvist**  
Equity Research Analyst | ABG Sundal Collier



**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group



**Werner Becher**  
CEO | Kambi Group

## Prepared Remarks

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**Mia Nordlander**

SVP of Investor Relations and Sustainability | Kambi Group

Good morning, everyone, and very welcome to Kambi's Q3 2024 report presentation. My name is Mia Nordlander. I'm the SVP Investor Relations and Sustainability. And today I'm here with our CEO, Werner Becher, and our CFO, David Kenyon. We will today hear a presentation from Werner and David, and thereafter we will have time for questions. You can either call them into me directly, but please remember to press pound key plus five, or you can send them directly to the chat. So once again, very welcome to this presentation. We will start with some highlights from Werner. Thereafter, David will talk about the financial summary. Then Werner will come back, talk about some commercial and strategic updates, and then we have a summary followed by Q&A. So over to you, Werner.



**Werner Becher**

CEO | Kambi Group

Thank you, Mia, and good morning. Q3 was another busy quarter for Kambi, with Euros and Copa América tournaments ending, and several important partner signings. We reported a solid underlying growth, with operator turnover increasing 14%. Despite a higher than normal margin, we also saw a 16% rise in revenue when accounting for last year's PENN transition fees and one-off license revenues. With KTO, we signed a fast-growing top 10 brand in the Brazilian market. Rush Street Interactive has enjoyed great success across the Americas by utilizing our sportsbook. We are delighted to have signed a long-term contract extension with Rush Street to secure important revenue for Kambi. Shortly after the quarter, we hit a key milestone in our modernization strategy. We presented our new product portfolio and announced partnerships with Hard Rock Digital and Rei do Pitaco for our new promising Odds Feed+ product.



**Werner Becher**

CEO | Kambi Group

Just this morning, we announced a new share buyback program of EUR 12 million, a size significantly larger than what we've previously done. Handing over to you, David.



**David Kenyon**

CFO | Kambi Group

Thank you, Werner. Good morning, everyone. So to start with the summary of the quarter, revenue for the quarter was EUR 43 million, with an increase in both operator turnover and a higher operator trading margin than Q3 last year. Last year's number of EUR 42.1 million included some non-recurring items also, EUR 2.6 million of non-recurring license revenues and EUR 2.3 million more PENN transition fees, fees which actually ended in July 2024. So excluding these one-offs, revenue was actually up 16% year-on-year.



**David Kenyon**

CFO | Kambi Group

Earnings before interest, tax, and amortization on acquisitions was EUR 4.9 million, and our total expenses were EUR 39.4 million. Excluding FX from these numbers, expenses were EUR 38.5 million, which is at the bottom end of the range we previously guided on. We saw strong cash flow in the quarter, and this led to an increase in our cash balance by the end of September to EUR 60.5 million.



**David Kenyon**

CFO | Kambi Group

As Werner mentioned, we're really pleased to have announced this morning a EUR 12 million buyback program, which will run until the next AGM in May 2025, putting our strong balance sheet to good use. This is the operator trading analysis we present. It's an aggregation of the results across the turnkey portfolio, with the blue columns being an indexed version of the operator turnover, originally set at 100 when we first floated. And the orange line there is the aggregated operator trading margin across the portfolio. So firstly, the operator turnover, that was up 14% from 602 in Q3 last year to 687 this quarter. We saw growth from our new customers, in particular LiveScore and Svenska Spel, as well as growth from our existing operators.



**David Kenyon**

CFO | Kambi Group

We also saw this quarter the final matches of both Euro 2024 and the Copa América, with 11 and 12 matches respectively in the quarter, and of course, the Olympics in July and August. These increases were offset by both Napoleon and Kindred in the U.S., which added zero turnover in this quarter, but all in all, a 14% increase in turnover.

**David Kenyon**  
CFO | Kambi Group

The margin was 10.4%, which compares to 8.8% in Q3 last year. This 10.4% is obviously a high margin, higher than we typically see, and we saw high margins, especially in the NFL, in baseball, and in football, in particular in the Copa América, so these factors, which were offset by those non-recurring items I mentioned in Q3 last year, led to revenue increasing from EUR 42.1 million to EUR 43 million. In terms of our cash, we had EUR 52.7 million in the bank at the start of the quarter.

**David Kenyon**  
CFO | Kambi Group

This was boosted by our operating profit of EUR 3.6 million, to which we also add back amortization on the intangibles required through our M&A, another EUR 1.3 million. We saw a positive movement on our working capital in the quarter, especially with debtors decreasing due to some payment timing differences on some of our larger accounts. All in all, this led to an EUR 8.1 million increase in cash to EUR 60.5 million. As I mentioned, today we announced a EUR 12 million buyback program. This is in line with the capital allocation strategy we announced earlier this year to return capital to shareholders through buybacks while preserving sufficient capital for our operational requirements. This program takes us through to the next AGM, where we'll likely seek a fresh mandate in order to be able to carry on this kind of buyback program long term.

**David Kenyon**  
CFO | Kambi Group

With that, I'm going to hand back to Werner.

**Werner Becher**  
CEO | Kambi Group

Thank you, David. When I joined Kambi three months ago, I already knew that I was joining a company with great potential. But today I'm even more excited about all the opportunities for Kambi in its evolution into becoming the home of premium sports betting solutions, offering now seven standalone products. Of course, our turnkey sportsbook remains our flagship product. And we believe that the quality of exactly this sportsbook gives all our other modular products the edge over the competition. But not everything is going in our favor. For example, Kindred and LeoVegas moving away from our turnkey sportsbook. Looking ahead, Kambi's customer base will continue to evolve, which means we want to have clear goals and we want to have a more diverse partner structure going forward. We won't be overly reliant on a small number of operators anymore.

**Werner Becher**  
CEO | Kambi Group

To increase productivity and to remove inefficiency from our operation is relevant for long-term success. Based on a very strong balance sheet, work is already underway to further reduce our cost base moving forward. We want to work smarter and faster. On the whole, I'm very passionate and I see a bright future for Kambi, even if the short term requires us to roll up our sleeves. A lot has happened since our last quarterly presentation, and you can see some examples here on this slide. Kambi completed nine partner launches in the quarter. In July, we launched LiveScore brand Virgin Bet in the U.K. and Ireland. We signed a front-end agreement with Paf via our Shape Games division. Paf will now have access to our new software development kit to have even more control over its front-end client.

**Werner Becher**  
CEO | Kambi Group

And it would be a miss not to mention the long-term extension of our partnership with Rush Street Interactive. This agreement secures important revenue for Kambi. And it's one example of why we've been working on opening up our sportsbook to enable even greater differentiation for all of our partners. Rush Street has enjoyed great success across the Americas by utilizing our sportsbook in their own very unique way, by integrating it deeply into its own proprietary platform. And I will talk a little bit more about some of these examples here on this slide later, including the signing of KTO, the launch of our new product portfolio, and also our Odds Feed+ deals with Hard Rock Digital and Rei do Pitaco. For the past two years, we have been speaking a lot about Kambi becoming more flexible and about our modernization strategy.

**Werner Becher**

CEO | Kambi Group

The development has taken a little longer than hoped due to change priorities related to the wins of LiveScore and Svenska Spel. We are excited about all seven products we are offering now and Kambi's evolution into becoming the home of premium sports betting solutions. We believe each product is either market-leading today or has the potential to be soon. But why are we so convinced that our turnkey sportsbook gives all our products the edge over the competition? Our new Odds Feed+ product is a prime example of this. Through a simple integration of a single API, operators can gain access to Kambi's full library of unique premium odds, including those from Abios and Tzeract. And we name it Odds Feed+ because we believe it provides operators with more than what is available elsewhere on the market today.

**Werner Becher**

CEO | Kambi Group

Because our odds are actively traded and managed through our turnkey liquidity, our large turnkey liquidity, being sharpened constantly by the billions of bets we trade and manage each year. This edge was underlined by a number of very prominent sportsbook signings in the last few weeks. Clearly, Odds Feed+ has already proven that it can and will increase our addressable market. Hard Rock Digital is a very good example about this, while it will also demonstrate its ability to retain partners like Rei do Pitaco, who would otherwise have left us. We continue to work hard to make sure that we can offer our partners leading products in their local markets. With our premium turnkey sportsbook, we've had two major developments.

**Werner Becher**

CEO | Kambi Group

Firstly, it was great to sign KTO, probably not a brand everyone is aware of, but KTO over the past few years has become a fast-growing top 10 player in the Brazilian market. With the Brazilian regulated market expected to open in January, KTO realized it required a sportsbook now to compete with the big global players, and a product they can trust is always 100% compliant with these new regulations in Brazil. That KTO has decided to transfer to Kambi from its incumbent sportsbook supplier is clearly a vote of confidence in the quality of our product for the Brazilian market. Secondly, we've been a proud partner of Rush Street Interactive since 2018, supporting their growth not only in the U.S., but also in Latin America too.

**Werner Becher**

CEO | Kambi Group

I'm delighted we have the opportunity now to build on this relationship over the coming years with a long-term extension of our contract. Since we've officially launched our new Odds Feed+ product just a few weeks ago, we've seen great interest, particularly at the G2E show in Las Vegas and SBC Summit Latin America recently. We are very proud that we could sign our first two odds deals with partners in the last few weeks. The edge over similar products in the market was underscored by the recent partnership agreement with leading US operator Hard Rock Digital, an example of how our new modular products increase our addressable market.

**Werner Becher**

CEO | Kambi Group

In terms of Rei do Pitaco, we had a turnkey sportsbook agreement with them in place previously, but RDP were always open with us that they would be looking to build an in-house sportsbook based on their existing fantasy sportsbook platform at some stage. Our turnkey deal was due to expire already next year. So I'm delighted that we have agreed a long-term deal now with our new Odds Feed+ product, and we will remain an integral part of their sportsbook for the years to come. RDP is an example demonstrating the ability of our new modular services and products to retain partners that would have otherwise left. Outside of the turnkey and our Odds Feed+ product, we have also seen developments across front-end and esports. We continue to see solid cross-sell and upsell potential for these areas. Talking front-end first, which is delivered by our Shape Games division.

**Werner Becher**

CEO | Kambi Group

We have signed two new partnerships with Kambi sportsbook partners in recent months, with Paf and with Choctaw. Both deals show the full flexibility of our front-end services, with Paf opting to leverage Shape's software development kit, while Choctaw will utilize Shape's fully managed front-end services. Looking to esports next. After a commercially successful year so far, Abios launched eBasketball, a new product only a few days ago, following the continued success of their eSoccer product. In Q3, Abios partnered with Kambi sportsbook partner Svenska Spel to deliver its full eSoccer offering, including odds, streams, and widgets. Both examples show our ambition to realize further synergies from recent M&A. While new market regulation in general has been moving at a slower pace than we had anticipated, we look forward to the launch of Brazil, which is expected to take place in January.



**Werner Becher**  
CEO | Kambi Group

Based on our great success in neighboring states and countries like Colombia, for example, we believe we have a market-leading product for Brazil. We've already spoken about the signing of KTO and Rei do Pitaco, which is evidence of the quality we have. However, we also have a number of other partners set to enter this market, and we look forward to supporting them to do so. There are ambitious industry expectations for Brazil, as you can see from the forecast on the chart here. But it's also important to remember that this has long been a gray market. The current gray market leaders will be entering the regulated market along with some other new market entrants soon, meaning competition will be fierce in Brazil. Nevertheless, new market regulation is always a plus for Kambi, and we look forward to seeing what Brazil will bring for us.



**Werner Becher**  
CEO | Kambi Group

To summarize, several new partner signings and extensions. We are delighted to see our modular products gaining traction, underscored by the recent partnership agreements with leading operators. Our new Odds Feed+ product has already proved it can increase our addressable market while also demonstrating its ability to retain partners that would have otherwise left us. With more products in the pipeline for our modular services, we are adding a new revenue stream on top of our existing turnkey sportsbook business to further accelerate growth. And with some bigger operators moving away from our turnkey sportsbook, of course, we have some near-term headwinds to manage. But we are very excited about all the opportunities for Kambi's evolution into becoming the home of premium sports betting solutions.

## Q&A

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**Mia Nordlander**

SVP of Investor Relations and Sustainability | Kambi Group

Okay, thank you, Werner. Thank you, David. It's now time for questions. You can either call in to us here. Please remember to push pound key and five, or you can send them directly to me in the chat. We have a few questions. Martin Arnell, DNB, good morning.

**Martin Arnell**

Senior Equity Analyst | DNB

Good morning, guys. Can you hear me?

**Mia Nordlander**

SVP of Investor Relations and Sustainability | Kambi Group

Yes.

**Martin Arnell**

Senior Equity Analyst | DNB

Perfect. Thank you. I want to start. Can we just start with a question on your minor changes of the full-year communication? I think you fine-tuned down your revenue for the full year and also lowered the cost guide. Can you comment on the reasons for these small adjustments? Thank you.

**David Kenyon**

CFO | Kambi Group

Yeah, I mean, I would say, hi, Martin. I would say there are small adjustments. On the revenue side, it's really a narrowing within the original range. So that was EUR 170-EUR 180 million.

**David Kenyon**

CFO | Kambi Group

Of course, at the start of the year and in the earlier stages in the year, there were so many moving parts in that revenue number, from customer marketing spend and activity to churn or new signings or margin, a huge number of variables. So it's really now, late in the year, we're able to really narrow that down. And really, it's just narrowing towards the center of the range. Okay, not quite on 175, but it's very close to the center. On cost, I think we've been kind of flattish throughout the year. And looking ahead, we're now quite clear on what our costs are going to be during Q4. We can say with confidence to a two-million range where that's going to be. And that's very much at the low end of what we said at the start of the year.

**David Kenyon**

CFO | Kambi Group

So all in all, I think the position is broadly what we expected it to be. And yeah, no real changes from our perspective.

**Martin Arnell**

Senior Equity Analyst | DNB

And just a minor follow-up. If I look at the midpoint of your revenue for the full year, it's implied number for Q4 is slightly below that for Q3, although we know that Q4 is sort of the biggest quarter in the industry. Can you just explain the headwinds? Why this is? Thank you.

**David Kenyon**

CFO | Kambi Group

Yeah. Firstly, I should mention the, obviously, the PENN transition fees, which we had EUR 1.1 million in July. So they will stop. So that's obviously a headwind. Then we had a high margin in Q3. I don't think we can expect that high margin to continue. I expect that to normalize in Q4. But that would be offset by the seasonality, so the full quarter of, in particular, NFL and soccer. So yeah, all in all, that kind of gets us to that new range that we set out.

**Martin Arnell**

Senior Equity Analyst | DNB

Okay, thank you. And on the cost situation, and you mentioned, Werner, that you see efficiency focus ahead. And I guess we're only in the very early days of this. How much do you see? How big is the potential here to focus more on efficiency?

**Werner Becher**  
CEO | Kambi Group

So I think it's clear for an incoming CEO that operational excellence is something you're looking at already in the first few days. So of course, I see also some cost-saving potential here in Kambi, although we always manage our costs prudently. So of course, AI is a big topic, not only in our Tzeract division, but also across the whole business at Kambi. We're looking at it at the moment where we can use more AI tools in the company.

**Werner Becher**  
CEO | Kambi Group

If we have the right size of all our teams, it's also something we're looking in if we really focus on areas with high growth potential. So there are many areas, and we're looking to all areas where we can get more productive and we can be more efficient going forward. Some of these cost savings are already underway. David talked a little bit about it. We are already now coming in flat with costs. We will talk more about in Q4 about our expectations of these cost savings.

**Martin Arnell**  
Senior Equity Analyst | DNB

Will you provide a full-year guide for 2025? Will you have this revenue range and cost range, or should we expect that?

**David Kenyon**  
CFO | Kambi Group

Certainly the cost range and quite likely the revenue range. I mean, there's obviously a lot of moving factors, like I mentioned earlier.

**David Kenyon**  
CFO | Kambi Group

So yeah, I think we'll look into the revenue, but probably and definitely the cost range, yeah.

**Martin Arnell**  
Senior Equity Analyst | DNB

Okay, thank you. One final question from me is to you, Werner. If you look at the Odds Feed+ product and you compare it to similar products from competition, what would you say is the main edge in Kambi, given your experience from other companies on the supply side?

**Werner Becher**  
CEO | Kambi Group

Yeah, so first of all, we are a premium sportsbook supplier. So comparing our products to the products of data suppliers, I think is that we don't provide midpoints of markets or something like that. We trade actively our odds based on a double-digit billion liquidity we have simply on our turnkey sportsbook. This means our odds are sharpened.

**Werner Becher**  
CEO | Kambi Group

They are traded, while Hard Rock Digital, for example, acknowledged that adding our Odds Feed+ product in addition to existing data supplier Odds Feed they have already integrated will benefit them. So we have experience over 14 years now at Kambi to fine-tune our systems, to keep the customers, the punters out there engaged. So I think the edge of this product is the big turnkey liquidity, but all the nitty-gritty details as well we've put into this product for the last 14 years now.

**Martin Arnell**  
Senior Equity Analyst | DNB

Okay, thank you, guys. That's all from me.

**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group

Thank you, Martin. Next, sorry.

**Werner Becher**  
CEO | Kambi Group

Thanks, Martin.

**Mia Nordlander**

SVP of Investor Relations and Sustainability | Kambi Group

Next one is Oscar Rönnkvist from ABG. From ABG, yeah. Good morning.

**Oscar Rönnkvist**

Equity Research Analyst | ABG Sundal Collier

Thank you very much and good morning. So just the first one, I would like to talk a little bit about the guidance as well and sort of what is baked into this. Obviously, very high trading margin in Q2 and Q3 alongside Euros and Copa América. I think Rush Street's and other conference calls called that the October football results in the US were very, very player-friendly. So just wondered, I mean, your guidance is assuming a normalized margin for the remainder of Q4, but it's a weak October trading margin already baked into your guidance. Thanks.

**David Kenyon**

CFO | Kambi Group

Yeah, yes, it is. So it is baked in. Yeah, but hopefully for the rest of the quarter, we'll see a more normal margin, which so yeah, no reason not to expect that, really.

**Werner Becher**

CEO | Kambi Group

I think when Richard Schwartz talked about the football margin in the US, this was two weeks ago and the quarter was quite young. So the situation has changed meanwhile a little bit. So we're on a more normal level now again.

**Oscar Rönnkvist**

Equity Research Analyst | ABG Sundal Collier

Okay, got it. Got it. Thank you. Then, just the next one. I wanted to hear your thoughts about the sportsbook margins. Obviously, I mean, they're trending higher and higher, and I guess it's a result of the increase in parlay bets. Just looking at, I mean, I think it was a bit ago, I mean, Flutter had the CMD presentations, talked about structural revenue advantage of a higher structural hold in sports betting in general. So just wanted to hear your thoughts. I mean, how are you going to balance this trend?

**Oscar Rönnkvist**

Equity Research Analyst | ABG Sundal Collier

So, I mean, obviously, you could either, I mean, exploit the higher structural margins by increasing the hold rates, or else, I mean, you could make the prices more competitive to try to gain market share from, for instance, Flutter and DraftKings, etc. So how do you balance this and what can we expect from you going forward?

**David Kenyon**

CFO | Kambi Group

Yeah, I mean, I think we've always talked about an optimal trading margin, so one that provides the right level of payback to the players so they can enjoy the experience and for the operators still to make the right level of money that they're looking to make. We've also obviously got payback tools whereby operators can flex that payback according to their needs and their marketing campaigns. So yeah, and then you see the increase in prevalence of parlays, which obviously push up the margin. So it's definitely one we keep looking at. In our mind, we set what we think is the optimal margin, and then it's up to the operators to adjust it if they see fit.

**Werner Becher**

CEO | Kambi Group

I think this trend is also driven a lot by the increasing importance of BetBuilder and our market-leading BetBuilder product. And you mentioned it, Oscar, so more and more parlays. This is because of our BetBuilder product, but also let's say that the betting behavior in North and South America is a little bit different than what we were used to in Europe with more single in-play bets. So having more parlays now and a different regional footprint also comes into this.

**Oscar Rönnkvist**

Equity Research Analyst | ABG Sundal Collier

All right, perfect. So are you seeing it's more on the operator side to sort of adjust the hold rates here rather than from your side?

**David Kenyon**

CFO | Kambi Group

No, it's always a joint approach. So when it comes to trading the perfect margin to have a high entertainment factor for their punters customers out there, this is a very joint discussion we have quite frequently with them. It's not there. It's not our decision. It's experts working together.

**Oscar Rönnkvist**

Equity Research Analyst | ABG Sundal Collier

Got it. Perfect. I mean, just as this sort of opportunity arises, I mean, do you see any evidence of assuming that you have a stellar product and a very good trading platform? I mean, do you see any evidence of, I mean, if you could undershoot Flutter, for instance, their odds on sort of the same sort of parlays or games just by having a lower hold rate, do you see any evidence of gaining market share due to that?

**Werner Becher**

CEO | Kambi Group

If you're talking about Flutter and DraftKings and therefore specifically about the U.S., I think the success of Rush Street Interactive in the U.S. underlines and their growth rate that our product is very, very competitive. We are working hard because our customers expect to be at least on par when it comes to product odds with the very, very big ones out there. And again, I think Rush Street is a very good example that shows that our product is at least as good as the ones of very big tier ones and tier zero operators.

**Oscar Rönnkvist**

Equity Research Analyst | ABG Sundal Collier

Perfect. Thank you. And just then on the pipeline, obviously, I mean, you announced the new buybacks this morning. So just looking at the pipeline going forward in terms of new signings, so I mean, you're talking a little bit about not having to have a similar sort of dependency on individual customers. So I guess that your main approach now is to go for modular signings. Are you seeing any interest from a few of the big operators, or could we expect a bigger magnitude of the number of signings rather than going for the big ones, or how should we think?

**Werner Becher**

CEO | Kambi Group

So please let me repeat. We definitely will not lose focus on our turnkey sportsbook. Right? This will be also our flagship product going forward. But yes, with this new modular product, specifically with Odds Feed+, we see a lot of traction on the market, and the clear goal is to increase our addressable market. There are many operators out there, many big operators, but also mid-sized operators who have in-house sportsbook and who would be never customer of Kambi. But with these new products, we can address them.

**Werner Becher**

CEO | Kambi Group

We can work together with them. And Hard Rock in the US, I think, shows that there is interest in our product. And also G2E, SBC, Latin America in the last few weeks. We only announced this product a few weeks ago. Please don't forget. Shows that we are very comfortable with looking to our sales pipeline, not only for modular products, but also for the turnkey.

**Oscar Rönnkvist**

Equity Research Analyst | ABG Sundal Collier

Perfect. Thank you. Sorry, I have a lot of questions today, but if there's any color on the Kindred and MGM roll-off in terms of timing, could you say anything on that?

**David Kenyon**

CFO | Kambi Group

We don't really have much color. I mean, I think you're going to have to wait for them to announce their position. I think Kindred talked about rolling off one market in Q4, but we don't really have anything to add to that, really.

**Oscar Rönnkvist**

Equity Research Analyst | ABG Sundal Collier

All right. And MGM, nothing on LeoVegas?

**David Kenyon**

CFO | Kambi Group

No, nothing further to add.

**Werner Becher**  
CEO | Kambi Group

So we signed an extension of the contract with LeoVegas, MGM last year, as announced, and the acquisition of Tipico U.S. sportsbook is also quite fresh. So it's only a few weeks ago they signed this deal. So we are in close discussions with them, also about our new modular products, of course, but also about how a roadmap from their side could and should look like. But I think they're still in the planning phase about this.

**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group

Just a reminder that we have a minimum guarantee with Kindred, of course, with the contracts that ends in end of 2026.

**David Kenyon**  
CFO | Kambi Group

2025.

**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group

2025, sorry. Yeah.

**Oscar Rönnkvist**  
Equity Research Analyst | ABG Sundal Collier

Perfect. And on MGM, I think they're launching in Brazil together with a partner, right, with a BetMGM international brand. Is that something that you are preparing to power, or is that something that is excluded in your contract?

**Werner Becher**  
CEO | Kambi Group

So we signed a contract for the internal expansion of their business last year, but in which markets we are going together with them is commercially sensitive information, and it's confidential, and unfortunately, I can't disclose this.

**Oscar Rönnkvist**  
Equity Research Analyst | ABG Sundal Collier

I see. I see. Perfect. Thank you. I just have a final question. I mean, you have elaborated a little bit on the previous Capital Markets Day about assumptions on the market shares. Do you have any market share targets in Brazil that you could share with us?

**Werner Becher**  
CEO | Kambi Group

No, because the market is quite immature. We know that hundreds of operators have applied for a license. We think we are in a good place with RDP, with KTO, and some of our existing customers. But the situation will change after the licensing has started a lot and will be not comparable to what we have seen now in the pre-regulated phase. So we have no clear expectations here. But regulation, as mentioned, is always in favor of Kambi normally.

**Oscar Rönnkvist**  
Equity Research Analyst | ABG Sundal Collier

Perfect. I'll stop there. Thank you very much, guys.

**Werner Becher**  
CEO | Kambi Group

Thanks, Oscar.

**David Kenyon**  
CFO | Kambi Group

Thank you.

**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group

Okay. I think that was what we had from the conference call. Now we have time for questions on the web. I start with you, Werner. Now, when you are coming in with fresh eyes, it would be interesting to hear your view on competition and Kambi's position in the markets. You can share.

**Werner Becher**  
CEO | Kambi Group

Yeah. So I can only repeat that we see ourselves as a premium sportsbook company. So the question before about data suppliers, our main competitor clearly is OpenBet out there because as a premium supplier, we are looking for the bigger and the mid-sized customers. I think having transitioned, or we will transition now, customers from operators who had incumbent sportsbook suppliers before shows especially for Brazil.

**Werner Becher**  
CEO | Kambi Group

Brazil clearly is for the whole industry at the moment the focus area that we have after a very successful period in the U.S. and more to come with California and Texas, a very good product also now for South America. After this South American rush now, of course, please don't forget that the whole Asia-Pacific region is coming also up probably in the next few years starting.

**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group

Thank you. A few questions about gray markets and what you think there. Can you elaborate a bit, please?

**Werner Becher**  
CEO | Kambi Group

I think we did some reviews here, of course, and we've learned a few things in the last few years. So what we learned? We learned that in the U.S. and in the Netherlands and some other examples, of course, it was not a good idea to be active there already prior to the regulation because cool-off phases or even being kept out from licensing was the consequence of being in this market. But on the other hand, there were markets like now Brazil, for example, but also Germany and many other examples where operators having been there already prior to regulation had a big, big advantage. They had a big customer base already. They had active customers, and they generated revenue even before. So my answer is we always look case by case, country by country on all these pre-regulated markets.

**Werner Becher**  
CEO | Kambi Group

Brazil is an example, but also upcoming other countries could be an example where we decide if from a legal, from a license perspective, there is no risk for us, no material risk for us to go in these countries even prior to regulation.

**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group

Okay. Thank you. David, a question for you. You will have an EGM soon. Can you explain why we will add squeeze-out right there?

**David Kenyon**  
CFO | Kambi Group

Yeah. I mean, firstly, the background to the EGM is since we repaid the bond last year, our articles of association had many references to the bondholder, and that needed to be tidied up. So that's why we kind of started with this small project of updating the articles. At the same time, we just did a more general review on what should be in a typical modern articles of association as we're relatively old.

**David Kenyon**  
CFO | Kambi Group

Squeeze out was a quite standard provision that made sense to include, I think, for the benefit of shareholders, frankly. So yeah, it was just one of the tidy-ups we're making or proposing at this EGM.

**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group

Thank you. This is for you, Werner. You have a long talk about BetBuilder that is best in class. Now it's been around six months since you signed Kwiff. What are the discussions with new customers like for BetBuilder?

**Werner Becher**  
CEO | Kambi Group

Yeah. So in the last few months, we were fully focused on optimizing and providing the BetBuilder product to an existing Kambi network of more than 40 customers to make BetBuilder available now, like our managed trading service as well. Also, a standalone product is one of the main points on our agenda for the next few months.



**Werner Becher**  
CEO | Kambi Group

Please don't forget that our BetBuilder product supports pre-match, live betting, cash-out, early payouts, so features no one else can offer on the market today, and we also integrate in the background now odds coming from Tzeract and all their capabilities into this product, so we will go to the market with BetBuilder soon, but at the moment, we are fully focused on our existing network.



**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group

Okay. Thank you. David, one for you. If you look at the revenue mix a few years ahead, what percentage do you think will come from models?



**David Kenyon**  
CFO | Kambi Group

From modules? It's a million-dollar question. A bigger percentage than now, for sure. We've obviously got high hopes, and Werner presented the product portfolio. I think we don't know exactly where the revenue growth is going to come from in those, but we've got hopes across the board, but Turnkey will remain the flagship, as Werner said.



**David Kenyon**  
CFO | Kambi Group

And typically, you make a higher rev share on that. So that will always, I think, be the clear majority of revenues. But I look forward to seeing how the others develop. It's quite hard to say right now.



**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group

Thank you. Werner, this is for you. Do you have an update on the long-term financial targets?



**Werner Becher**  
CEO | Kambi Group

I think we talked a little bit about it already. So first of all, this is a decision the board has to make. But we think to have targets in general is important, but if and when we announce new targets will be decided by the board.



**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group

David, there's a question about costs and recruiting a new CEO. Anything you can share there? I mean, we're very transparent with our costs.



**David Kenyon**  
CFO | Kambi Group

Yeah. And I can say all the costs relating to any hirings are accrued as we incur them. They've already presented in the Q2 and Q3 reports. So they're fully accounted for in what we've presented. Nothing else to come.



**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group

Here's a question. I think I can take this one. Historically, you sent press-releases to all new customers. Is this something you will continue with modular customers? I think our strategy is to, of course, press-release the most significant customers, but of course, this is a great opportunity for us to talk about new signings and give more color and flavor. So I think not every modular customer, but of course, the most significant, and our goal is to be as transparent as possible. Question about time when we launched with customers. It took some time for 711 to launch. Any color you can share there? Maybe David, I mean.



**David Kenyon**  
CFO | Kambi Group

Well, I know. I don't know the specifics of 711, but I mean, generally, I know we're very fast to market, and I've actually got a reputation in the market, and it's the USP for us to be faster than the competition in launching customers. So typically, with a good collaboration, it can be a few weeks, really, I think, to launch.



**Mia Nordlander**  
SVP of Investor Relations and Sustainability | Kambi Group

We have a great example where we've been very, very fast with launching. So we are ready as soon as our customers are.



**Werner Becher**

CEO | Kambi Group

I think also KTO is a very good example. We signed them only a few weeks ago, and we see absolutely no problem to launch them on 1st of January. So sometimes it's about contract negotiations. It's not a technical issue we have. We are very fast in integrating and deploying new customers on our platform.



**Mia Nordlander**

SVP of Investor Relations and Sustainability | Kambi Group

Okay. I think that was it for today. Thank you very much to Werner and David. Thank you very much for the questions. Kambi will present the Q4 report 26th of February, and of course, if you have questions, feel free to reach out to the IR department, and we wish you a very good day. Thank you.