

24-Apr-2019

# Kambi Group Plc (KAMBI.SE)

Q1 2019 Earnings Call

## CORPORATE PARTICIPANTS

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

David Kenyon

*Chief Financial Officer, Kambi Group Plc*

---

## OTHER PARTICIPANTS

Christian Hellman

*Analyst, Nordea Bank ABP*

Hjalmar Ahlberg

*Analyst, Kepler Cheuvreux SA (Sweden)*

Viktor Högberg

*Analyst, Danske Bank A/S (Sweden)*

---

## MANAGEMENT DISCUSSION SECTION

**Operator:** Ladies and gentlemen, welcome to the Kambi Group Q1 Report 2019. Today, I'm pleased to present Kristian Nylén, CEO. For the first part of this call, all participants will be in a listen-only mode and afterwards, there will be a question-and-answer session.

Kristian, please begin.

---

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

Good morning and welcome to Kambi's first quarter result presentation. I am Kristian Nylén, Chief Executive, and joining me is our CFO, David Kenyon. Please turn to slide 2.

In a moment, I will give you a brief overview of what was another strong quarter for Kambi, after which David will take you through the numbers. I will then speak about the quarter in a little bit more depth, including further U.S. expansion and new product launch.

But first, on slide 3, let [ph] me give you (00:00:57) introduction to Kambi. Kambi is a premium turnkey sports betting service offered on multiple channels including Web, mobile and retail. Our service is managed from an in-house developed platform, which has been continuously developed over the last decade. The platform, together with more than 700 highly skilled staff, forms the foundation of our service.

The Kambi Sportsbook consist of multiple elements from front-end user interface and open APIs through the odds compiling, customer intelligence and risk management; enabling our customers to offer their players the leading sportsbook experience on the market. On to slide 4.

Kambi's business is built up on a revenue share model. We are growth dependent on our operators' success. The foundation of our strategy is based on scalability and the majority of our cost base is fixed at no additional cost to the operator. Kambi continuously invest in product, people and technology to maintain market leadership.

We operate an experienced in-house trading and risk management team to optimize operator trading margin and our business is underpinned by our corporate probity and integrity. We are publicly listed and have successfully obtained all licenses we have applied for. We power more than 20 operators across six continent, including some of the most recognizable and successful brands in the industry. Let's look at the quarterly highlights on slide 5.

In Q1, we posted revenues of €21 million, a 28% year-on-year increase. Operator turnover was up 46% to an all-time high. Operator trading margin was 7.8%. Kambi added two new customers in Q1, one being Mohegan Gaming & Entertainment. Their casino, Mohegan Sun, is not only one of the largest entertainment destinations in Connecticut but one of the biggest in the U.S. Kambi will power their sportsbook in Connecticut.

And as we revealed in our Q4 report in February, we also signed Rhinoceros Operations in Q1. Rhinoceros is the new owner of mybet, the [ph] German facing (00:03:48) sports betting brand. mybet has already been launched on the Kambi Sportsbook platform.

We also launched three on-property sportsbooks in Q1, all with our partner, Greenwood Gaming and Entertainment and all in Pennsylvania. Kambi has gained a market-leading retail position in Pennsylvania and we are looking forward to the regulator permitting online sports betting shortly.

I will now hand over to David Kenyon who will took you through the financial highlights. Turning to slide 6.

---

## David Kenyon

*Chief Financial Officer, Kambi Group Plc*

Thanks, Kristian. Good morning, everyone. In Q1, we had revenue of €21 million, up 28% in the last year. This was driven by the strong level of operator turnover from both existing and new customers and an operator trading margin of 7.8%.

Operating costs for the quarter were €18.4 million, giving an operating profit of €2.6 million or 12.4%. Our cash flow for the quarter, excluding working capital movements, was €1.1 million. The net cash position at the end of March was €33.5 million. Let's look at the income in some more detail. Turning to slide 7.

This slide sets out what we call the Kambi Turnover Index. The graph shows the trends of the results generated by Kambi for its operators. The turnover is the total stakes placed with the operators by their end users.

In Q1, we've seen turnover placed with our operators up by 46% on Q1 last year, including growth from our existing operators and from new operators in the U.S. and Sweden in particular. The margin represents the combined trading margin made by the operators. In Q1, this margin was 7.8%. We expect an average long-term operator trading margin in the range of 6.5% to 8%. We are continuously monitoring our expectations for this margin. The operator trading margin fluctuates in the short-term due to the outcome of sporting events with the highest betting volumes and value.

We consider conversion from operator turnover growth to our revenue growth on slide 8. Operator turnover was up by 46% compared to Q1 2018. The operator trading margin, multiplied by the turnover, generates the operator's Gross Gaming Revenue or GGR. The operator trading margin of 7.8% compared to the 7.9% we saw last year. Overall, this led to an operator GGR increase of 44% year-on-year.

Kambi's commission is based on a percentage of the operator's Net Gaming Revenue or NGR, which is after the deduction of gaming tax and certain marketing incentives. This tax impact has increased significantly, reflecting the increase in the part of our business coming from locally regulated markets now in Sweden and the U.S. In total, 71% of our revenues derived from locally regulated markets compared to 50% last year.

The impact of certain contract extensions, the fixed part of our revenues and certain volume-related commission tiers is shown in the other column of the graph. The conversion from operator NGR growth to our revenue growth is 76%. The net effect of all these factors is that revenue for Q1 2019 is up by 28% on Q1 last year to €21 million. Let's turn to the full income statement on slide 9.

Operating expenses for the first quarter were €18.4 million. We continue to invest in building the market-leading Sportsbook as well as the ongoing licensing and development of our commercial operations in the U.S.

Looking forward, we anticipate sequential growth in operating expenditure of 4% to 6% for each of the remaining quarters of the year. This will be driven to some degree by the speed of regulatory developments in the U.S.

Operating profit was €2.6 million for Q1 compared to €2 million last year and profits after tax was €2 million for the quarter compared to €1.5 million last year. Now, let's look at the cash flow on slide 10.

On this slide are the major components which impacted our cash position during the quarter. Our opening cash balance was €38.4 million. Capitalized development costs in the quarter were €3.5 million whilst the amortization charge on previously capitalized costs was €2.2 million. €1 million was received by the group as the option price upon the exercise of share options during the quarter. The net cash inflow for the quarter was €2.4 million and our closing cash balance was €40.8 million.

So now, let me pass you back to Kristian. Turning to slide 11.

---

## Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

Thanks, David. In March, Kambi signed an agreement with Mohegan Gaming & Entertainment. Mohegan Sun is one of the largest casinos in the U.S. and one of only two casinos in the state of Connecticut so they have an opportunity to take a large share of the sports betting market. Operated by the Mohegan Tribe of Connecticut, Mohegan Sun is Kambi's first Native American partner.

Native American casinos form a large part of the U.S. casino market and therefore is an important target market for Kambi. To form a partnership with one of the largest and most respected shows Kambi can be a trusted partner to Native American tribes.

Sports betting could be regulated in Connecticut later this year. There are bills currently in progress to do so. Until that time, Mohegan Sun is offering Kambi's free-to-play Sportsbook, which is a great way to build the interest and the customer database ahead of a real-money launch. Turning to slide 12.

Kambi continues to build out its own property portfolio in the U.S. In Q1, Kambi launched three retail sportsbooks with Greenwood Gaming and Entertainment in Pennsylvania. We detailed the launches of Parx Casino and the South Philadelphia Turf Club in the previous report, both of which have grown well since launch. In March, we launched a third sportsbook with Greenwood Gaming at its Valley Forge Turf Club.

Kambi now powers five of eight on-property sportsbooks in Pennsylvania. In Q1, these properties generated more than 80% of the sports betting revenues. We also note the regulator recently said it expects online sports betting to launch in the state in the next few weeks. Having been active in Pennsylvania since November, Kambi's partners are well-positioned to be among the first out of the gate. Moving to slide 13.

Towards the end of Q1, we launched our version of the Bet Builder product, a feature which allows players to place in-game accumulators using selections that are related. Before deciding to build our own Bet Builder, we did consider using third parties but we felt that Kambi and our customers would gain greater advantage through a proprietary version predominantly because current products on the market didn't offer players a complete user experience and building a proprietary version would give us the full control over pricing and risk and to give our customers the ability to control the user interface through our APIs. We'll shortly be adding in-play functionality and cash out is also in the pipeline. Now to slide 14.

Since the close of Q1, we have signed an extended deal with National Lottery of Bulgaria. National Lottery has enjoyed strong growth in Bulgaria since switching to Kambi in early 2018. As well as extending our deal in Bulgaria, the operator will use Kambi to supply the [ph] Moldovan (00:13:09) National Lottery with its sportsbook on a monopoly basis. Following a tender process, the [ph] Moldovan (00:13:15) National Lottery has awarded National Lottery of Bulgaria a 50-year license. We hope to launch online this summer followed by retail rollout.

In recent weeks, Kambi also won two awards at the EGR North America Awards. The event in Atlantic City saw us win Sportsbook Provider of the Year (sic) [Sportsbook Platform Provider] (00:13:39) and Sports Betting Supplier of the Year, which is a great reflection of the quality of the Kambi Sportsbook and the early success we have achieved in the U.S. Now to slide 15.

In summary, Q1 was another great quarter for Kambi, with strong financial performance across the board, including 28% revenue growth. Kambi's global network of customers also continued to grow. We have operator turnover up 46%.

Meanwhile, we've continued our U.S. expansion where we continue to set the standard. We have three on-property launches and the signing of Mohegan Sun. In general, I'm very happy with Q1 performance and we are looking forward to the rest of the year with confidence.

I will now pass it over to the operator for questions.

## QUESTION AND ANSWER SECTION

**Operator:** Thank you. [Operator Instructions] Our first question comes from the line of Christian [audio gap] (00:14:53).

Christian Hellman  
*Analyst, Nordea Bank ABP*

Q

Hello. Can you hear me?

Kristian Nylén  
*Chief Executive Officer, Kambi Group Plc*

A

Yes.

Christian Hellman  
*Analyst, Nordea Bank ABP*

Q

Okay. Great. Yeah, just a couple of questions on U.S. In the report, you speak a bit about that it's the state by state regulation and the rollout has been somewhat slow as of late but that you expect it or you hope at least that it will pick up over the coming months ahead of the NFL or the start of the NFL season. Can you elaborate a bit on that and perhaps mention some states in particular apart from Pennsylvania, of course?

Kristian Nylén  
*Chief Executive Officer, Kambi Group Plc*

A

Yeah, Christian, sure. Yeah, I think very much is based on the experience from last year where you saw many states really trying to push to get the regulation through before the NFL season start. And I expect the same pattern this year, but many states will want to be ready before the NFL season.

And I think, in fact, what you saw after the NFL season last year that it was slowing down. Therefore, [ph] which to (00:16:14) get it through up until now, so I think this is the sweet spot, the next coming months where things will happen in the states that will go live before the NFL season.

In terms of...

Christian Hellman  
*Analyst, Nordea Bank ABP*

Q

Yes, sir, but do you have some sort of tangible sign from that apart from the fact that that was the case for last year. What are you sort of seeing in the market this year.

Kristian Nylén  
*Chief Executive Officer, Kambi Group Plc*

A

No, I wouldn't say so. I think it usually goes very fast when some states are passing the bill. So, no, I don't have any tangible things to give you here. States, we believe, are likely New York but only for retail and then I think states like Connecticut, Ohio, Michigan, Iowa, Indiana, is states that could very well pass legislation in advance of the NFL seasons.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

Right, right. And in those states that you mentioned, do you have potential partners or sort of tangible discussions with the potential partners ongoing at this moment or are you missing [indiscernible] (00:17:40) states that you're not sort of in discussions with?

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

I would say we have discussions ongoing in every state and in some of the states, we obviously already have partners signed up like in Connecticut with Mohegan.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

Right, right, right but like in Ohio, Indiana, for example?

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

As I said, we have ongoing discussions in all of these states and many others.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

All right. Could you talk a bit about the Swedish regulation and some of your – well, what you've seen from that? I mean, you have ATG as a new client and you also have some of the ones that's been around in Sweden for a time for that like Kindred, of course, and others. You mentioned a couple of words on Sweden, Q1.

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

Yeah. I think for us, Sweden has been very positive. I don't think we see so much effects of a [ph] bonusing (00:18:49) as maybe our gaming verticals. It's really hard for us to evaluate what is what here. I mean, we have brought on ATG as a new customer, of course and that's a big player coming into the market. And obviously, that's a player that will take market shares from other operators so it's a little bit hard to separate the effects here what is because of regulation and what is because a new large player is coming into the market.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

I understand that. And on mybet in Germany, which launched, I don't know, a month ago maybe or a while ago. That sounds like a really interesting signing when you announced it. Could you perhaps share a few words on mybet?

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

Yeah. We still see it as a very interesting signing. It's very early days and I wouldn't say that they have, so far, really pushed for the products and so it's still early days to give an indication if this will be successful or not.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

Okay. And the cost guidance, you did say it was between 4% and 6% quarter-on-quarter going forward. Correct?

David Kenyon

*Chief Financial Officer, Kambi Group Plc*

A

Correct, yeah.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

Yeah.

David Kenyon

*Chief Financial Officer, Kambi Group Plc*

A

I think last quarter we said 5% to 7% first half and then going down to 3.5% -- 3% to 5% second half quarter-on-quarter. I think really...

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

Yeah.

David Kenyon

*Chief Financial Officer, Kambi Group Plc*

A

...it's really a reshaping of that guidance driven by the speed of regulatory rollout in the U.S.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

Okay, so a bit a faster or [indiscernible] (00:20:32).

David Kenyon

*Chief Financial Officer, Kambi Group Plc*

A

Well, a little bit weighted in towards second half versus the first half, really. Then Q1, we came in at 5%. We guided 5% to 7% so...

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

Okay, [ph] 5% (00:20:42).

David Kenyon

*Chief Financial Officer, Kambi Group Plc*

A

...4% to 6%, second quarter.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q



And the operation in Philadelphia, is that up and running now or is that going to sort of impact the Q2 perhaps a bit more?

David Kenyon

*Chief Financial Officer, Kambi Group Plc*

A

I mean, it's included. The lease is signed. We'll be opening the doors shortly and starting with our first staff there. So, yeah, the costs are included in that guidance for the second quarter. It's not a huge office.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

Okay.

David Kenyon

*Chief Financial Officer, Kambi Group Plc*

A

It's probably approximately a 30-man office. So – but, yeah, that cost is included in the guidance.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

Yeah. Okay, great. And just a final question, sort of on the general sort of pipeline, both Europe and U.S., could you perhaps share a few words on sort of the potential customer -- new customer pipeline that you have at this present day compared to perhaps three months ago, six months ago or a year ago just to give us some sort of feeling for where you're at right now in terms of potential new customers coming in.

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

Sure. I will say the focus is very much on Americas and that includes both U.S. and Latin America. So I would say where you can really expect signings is mainly in the U.S. and in Latin America, maybe not so much in Europe in the near future.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

Okay. And in terms of ongoing discussions, that's sort of on same level as it was six months ago or do you have more discussions or less?

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

I think it's looking really, really good at the moment.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

Okay. Great. Thanks. That's it for me.

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

Thank you.

**Operator:** And the next question comes from the line of Viktor Högberg from Danske Bank. Please go ahead.

Viktor Högberg

*Analyst, Danske Bank A/S (Sweden)*

Q

Yeah. Hi. Good morning. I dropped the line so you have to stop me if I asked a question that was already asked. But regulated revenues have seen an increase 15 percentage points over Q4 and you've added Sweden since then or Sweden has regulated, and then you have some U.S. growth. Would it be fair to assume that your Swedish exposure is around 13%?

David Kenyon

*Chief Financial Officer, Kambi Group Plc*

A

I mean, I'll leave it – I can't be too specific. We didn't make that kind of level of detailed kind of geographical split, but I mean, yeah, you can say the increase in taxes is fairly evenly split between Sweden and the U.S. so you can calculate backwards to somewhere near that number.

Viktor Högberg

*Analyst, Danske Bank A/S (Sweden)*

Q

Okay. And regarding Sweden and free bets, Kindred had a large amount of free bets here in Q1 with the new bonus scheme. Could you say something about the amount of free bets that you are taking on that Kambi has to swallow? What is the cap for free bets?

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

I mean, it's very different between different operators. I can't really give you any details but I mean, you can see – I mean, we are giving you some indication on the impact of taxes and incentives we are taking on and I can assure you that a major part of that pile is taxes and not incentives.

Viktor Högberg

*Analyst, Danske Bank A/S (Sweden)*

Q

Okay and can you talk a bit about the finished tender for vehicles? According to the reports that I've read, you were not interested in that one. Is that correct or because [indiscernible] (00:24:23) took the contract?

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

Yeah. Of course, we were interested in vehicles but the terms and the product demands given in the tender was not very suitable for us. So, yes, we did not actually proceed and replied to the tender.

Viktor Högberg

*Analyst, Danske Bank A/S (Sweden)*

Q

Okay. So, it's not that you lost it. You were – the terms were unfavorable for you guys.

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

Yes.

Viktor Högberg

*Analyst, Danske Bank A/S (Sweden)*

Okay.

Q

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

That's correct.

A

Viktor Högberg

*Analyst, Danske Bank A/S (Sweden)*

Regarding competition in the U.S., what can you say about U.S. competition existing sportsbook or existing suppliers or maybe new entrants? Have you seen anything change of late?

Q

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

Not really. I think it's very much the same playing field as it was a year ago. Of course, it's fierce competition but I think we have positioned ourselves as the leading supplier and I think we have a very, very good opportunity to win more deals going forward.

A

Viktor Högberg

*Analyst, Danske Bank A/S (Sweden)*

Okay. And on U.S. sports betting, I think you mentioned that Super Bowl was the largest turnover event -- largest event in terms of turnover for you guys ever, larger than the World Cup last year.

Q

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

Yes.

A

Viktor Högberg

*Analyst, Danske Bank A/S (Sweden)*

Could you say something about the -- I guess some Europeans bet on the Super Bowl as well or was like 95% Americans betting on that one.

Q

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

Oh, no. I would say that even before U.S. opened up, Super Bowl was a very popular event. It's -- American football season may not be so popular week to week in Europe, but Super Bowl is an event that is followed very well in Europe as well. So, of course, it's a massive event in U.S. but I would say it's a large event in Europe as well.

A

Viktor Högberg

*Analyst, Danske Bank A/S (Sweden)*

Okay. So the incremental increase in betting was not solely from U.S. bettors. It was the added U.S. bettor from European.

Q

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

Exactly.

A

Viktor Högberg

*Analyst, Danske Bank A/S (Sweden)*

Okay. Great. Thank you very much.

Q

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

Thank you.

A

**Operator:** And the next question comes from the line of Hjalmar Ahlberg from Kepler Cheuvreux. Please go ahead.

Hjalmar Ahlberg

*Analyst, Kepler Cheuvreux SA (Sweden)*

Hi. First, a question on Pennsylvania now going online. I mean, looking at New Jersey, the fantasy sports [indiscernible] (00:27:11) took a strong position. Do you see -- I mean, [indiscernible] (00:27:15) looking to launch also in Pennsylvania, I guess, online, how do you think [indiscernible] (00:27:20) the competition will be there compared to yours? Do you have any guesses on that?

Q

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

The guess is -- I mean, the fantasy providers, I mean, they have a fantastic database to start from so they will be big players in every single state they go into. Having said that, I think both Parx and Rush Street, they are household names with their casino brands in, yeah, major cities such as Philadelphia and Pittsburgh. So, I think they have a good opportunity to take a decent chunk of the market in Pennsylvania.

A

Hjalmar Ahlberg

*Analyst, Kepler Cheuvreux SA (Sweden)*

Okay. I see. And I don't know if you have any insight on that but [indiscernible] (00:28:15) seems to be growing a bit faster than DraftKings now in New Jersey. Do you have any insight on what drove that in [ph] March (00:28:22) or is it just difficult to say?

Q

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

Yeah. I think, first of all, I think it's more a question to DraftKings than to Kambi but...

A

Hjalmar Ahlberg

*Analyst, Kepler Cheuvreux SA (Sweden)*

Yeah, yeah.

Q

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

...it's also hard to analyze exactly what. I mean, it's still so early days. So, a few very, very big high rollers can change the pattern quite significantly.

Hjalmar Ahlberg

*Analyst, Kepler Cheuvreux SA (Sweden)*

Q

Yeah. I see and then just a last question on Mohegan Sun. I mean, you said you saw [indiscernible] (00:28:59) potentially in the long-term here. Is that because you say that you can do quite good revenue with only [ph] land bet (00:29:06) on this casino or is that also including an online potential long-term?

Hjalmar Ahlberg

*Analyst, Kepler Cheuvreux SA (Sweden)*

A

Yeah. I mean, I think for sports betting long-term, I think online will be much, much larger than retail for every operators.

Hjalmar Ahlberg

*Analyst, Kepler Cheuvreux SA (Sweden)*

Q

Yeah.

Hjalmar Ahlberg

*Analyst, Kepler Cheuvreux SA (Sweden)*

A

I mean, the interesting thing here is that there are only two casinos in the whole state of Connecticut so I don't know how the legislation will pan out but I mean there is an opportunity but it will only be two licenses. And then they have a fantastic opportunity, of course.

Hjalmar Ahlberg

*Analyst, Kepler Cheuvreux SA (Sweden)*

Q

Okay. Got it. Thanks a lot.

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

Thank you.

**Operator:** And we have a follow-up question from Christian Hellman [audio gap] (00:29:54) Nordea. Please go ahead.

Christian Hellman

*Analyst, Nordea Bank ABP*

Q

Hi. Yeah, just a follow-up. A recap on Pennsylvania, which is going online here over the next couple of weeks or months. Which partners do you have contracts with currently that will or most likely will operate in Pennsylvania because DraftKings isn't one of them, right?

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

A

Not currently. We have three partners that have either operate in retail already or have signed market access deals and that is Rush Street Interactive, it's Parx and it's Kindred.

Christian Hellman

*Analyst, Nordea Bank ABP*

Right. Okay, great. Thanks.

Q

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

Thank you.

A

**Operator:** As there are no further question, I hand back to the speakers.

Kristian Nylén

*Chief Executive Officer, Kambi Group Plc*

Okay. Thank you for the questions and for listening in. We look forward to updating you on the 24th of July when we publish our second quarter results for 2019.

**Operator:** This now concludes our conference call. Thank you all for attending. You may now disconnect your lines.

#### Disclaimer

The information herein is based on sources we believe to be reliable but is not guaranteed by us and does not purport to be a complete or error-free statement or summary of the available data. As such, we do not warrant, endorse or guarantee the completeness, accuracy, integrity, or timeliness of the information. You must evaluate, and bear all risks associated with, the use of any information provided hereunder, including any reliance on the accuracy, completeness, safety or usefulness of such information. This information is not intended to be used as the primary basis of investment decisions. It should not be construed as advice designed to meet the particular investment needs of any investor. This report is published solely for information purposes, and is not to be construed as financial or other advice or as an offer to sell or the solicitation of an offer to buy any security in any state where such an offer or solicitation would be illegal. Any information expressed herein on this date is subject to change without notice. Any opinions or assertions contained in this information do not represent the opinions or beliefs of FactSet CallStreet, LLC. FactSet CallStreet, LLC, or one or more of its employees, including the writer of this report, may have a position in any of the securities discussed herein.

THE INFORMATION PROVIDED TO YOU HEREUNDER IS PROVIDED "AS IS," AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, FactSet CallStreet, LLC AND ITS LICENSORS, BUSINESS ASSOCIATES AND SUPPLIERS DISCLAIM ALL WARRANTIES WITH RESPECT TO THE SAME, EXPRESS, IMPLIED AND STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS, AND NON-INFRINGEMENT. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER FACTSET CALLSTREET, LLC NOR ITS OFFICERS, MEMBERS, DIRECTORS, PARTNERS, AFFILIATES, BUSINESS ASSOCIATES, LICENSORS OR SUPPLIERS WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR REVENUES, GOODWILL, WORK STOPPAGE, SECURITY BREACHES, VIRUSES, COMPUTER FAILURE OR MALFUNCTION, USE, DATA OR OTHER INTANGIBLE LOSSES OR COMMERCIAL DAMAGES, EVEN IF ANY OF SUCH PARTIES IS ADVISED OF THE POSSIBILITY OF SUCH LOSSES, ARISING UNDER OR IN CONNECTION WITH THE INFORMATION PROVIDED HEREIN OR ANY OTHER SUBJECT MATTER HEREOF.

The contents and appearance of this report are Copyrighted FactSet CallStreet, LLC 2019 CallStreet and FactSet CallStreet, LLC are trademarks and service marks of FactSet CallStreet, LLC. All other trademarks mentioned are trademarks of their respective companies. All rights reserved.