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Kambi Group Plc (KAMBI.SE)

Q2 2024 Earnings Call

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Mia Nordlander

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MANAGEMENT DISCUSSION SECTION

Mia Nordlander

Senior Vice President-Investor Relations, Kambi Group Plc

Good morning, everyone, and very welcome to Kambi's Q2 Report Presentation. My name is Mia Nordlander, and I am Senior Vice President, Investor Relations, and Sustainability. And this morning I'm here with our CEO, Kristian Nylén; and our CFO, David Kenyon.

Today, we will start to hear about some highlights from the quarter from Kristian, then David will talk about the financial summary, and Kristian will come back and talk about some commercial and strategic updates, then a short summary, and finally, time for questions. You can either call them in here to us in the studio [Operator Instructions] or you can send them to me here in the chat. So, once again, very welcome to our presentation and over to you, Kristian.

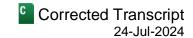
Kristian Nylén

Chief Executive Officer & Director, Kambi Group Plc

Thank you, Mia, and good morning. So, yeah, Q2, I will say is a very strong financial performance. We have a turnover plus 20% if we're excluding Penn online and this is, of course, driven by the large football tournament, Euro 2024 and Copa America. The result was very bookmaker friendly. So, we had a quarterly record margin in this quarter. I will talk more about the tournament later on in the presentation.

Early on in the quarter, we signed one of the largest tribes in the US, Choctaw Nation of Oklahoma. They are very large in Oklahoma, of course, and the proximity to Texas means that we have a lot of traffic from Texas as well. And this proximity to Texas also opens up for a lot of potential if Texas opens up at some point. I will talk more about that later as well.

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As ever, we have completed a number of partner launches, and most importantly, we started with Svenska Spel and we have LiveScoreBet ahead of Euro, which was on time and very important both for us and our partners to get those launches out ahead of the big tournaments. And, of course, we have appointed Werner Becher as our new CEO, and he [ph] starts (00:02:37) tomorrow taking over me, and I will talk more about that later as well.

But for now, I hand over to David.

David Richard Kenyon

Chief Financial Officer, Kambi Group Plc

Thank you, Kristian. Probably for the last time, but thank you. So, revenue for the quarter was €45.7 million versus €42.9 million Q2 last year. And for the first half, €88.9 million compared to €86.9 million. As Kristian mentioned, this was driven by really strong sporting calendar and an excellent performance with a strong margin in those events. I'll talk more about those.

Our total costs were within our guided range, and this led to an [ph] EBIT (00:03:14), earnings before interest, tax and amortization, and acquisitions of \in 7.5 million, up from \in 5 million this time last year. For the first half, we had − this same metric was \in 13.3 million, up from \in 10.8 million. We carried out \in 3.3 million worth of buybacks in the quarter. And nevertheless, our cash balance increased from \in 46 million to \in 52.7 million at the end of the quarter, \in 46 million at start of the quarter, \in 52.7 million by the end of the quarter. And I'll run through that cash flow shortly.

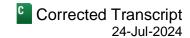
This is the turnover index, which sets out the aggregation of our operator's performance. As usual, the blue columns are an indexed aggregation of the turnover with the operators, and the orange line is the aggregated operators' trading margin. The turnover for the quarter was 704 on the index, this was an index that was set at 100 originally when we first listed. So, this index of 704 this quarter, it's a 3% growth from last year on the face of it, but 20% when stripping out the Penn online impact. This, of course, was really helped by the significant level of activity on both the Euros and the Copa America.

In the Euros, we had 40 of the 51 matches fell in Q2 and the Copa had 22 of their 32 matches in the quarter. And overall, these two tournaments alone contributed 9% of our turnover this quarter. The Euros, in particular, had a really strong margin with some very operator-friendly results, and this really contributed to the strongest margin you'll see on this graph here. So, 10.3% across the quarter. This very high margin may have had a slight dampening effect on our turnover, but I think, all in all, we can conclude it was an extremely strong quarter from an operational perspective. This, of course, led to a strong cash flow for the quarter.

So, as I mentioned, we had an opening cash balance of €46 million. And on top of that, we made an operating profit of €6.2 million. Our tax movements here, you see, included a tax refund of €4.6 million, which is part of the annual corporation tax payment mechanism in Malta. We also repurchased 3.3 million of shares at an average price of around SEK 97 per share. And this led to a closing cash balance of €52.7 million, an extremely healthy balance sheet as we move forward.

A bit more detail then on the buybacks we carried out. So, as I said, with the 3.3 million in the quarter, that's 392,000 shares, and this now takes us to 636,000 shares repurchased in the first half for a value of €5.6 million. We now hold 4.4% of the total shares in the company through buyback schemes. And in May, we announced a long-term capital allocation policy to really [indiscernible] (00:06:15) with what we'll do with buybacks going forward, which is to return capital to shareholders through buyback schemes, whilst preserving sufficient capital in the business for our operational requirements. I think in practice what this means is we'll be likely to see more

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material amounts used for buybacks and longer periods – over longer periods than we've done historically. And, of course, we'll start carrying those out as soon as we can.

So, yeah, with that, I'm going to hand you back to Kristian.

Kristian Nylén

Chief Executive Officer & Director, Kambi Group Plc

Thank you, David. And that sort of a last time then, probably. Yeah, let's see. Yeah. So, I'll – yeah, here's an overview of the commercial milestones for Q2 and Q3 so far. I will, of course, talk more about Choctaw, Svenska Spel, and LiveScore later. So, I'll focus on the other ones.

We've kwiff. We did [ph] – Tzeract signed were (00:07:11) first non-Kambi partner, and we also got the product launched with kwiff quickly ahead of Euros. So, very pleased to see this working as a standalone service, and I think the first result has been very positive.

Already in Q3 we have launched Virgin Bet. I will talk more about that, of course, since it's part of LiveScore Group. But we also signed 711, which we signed in Q4 last year. They have been growing steadily as a casino vertical in Netherlands since 2022, and they received various sports betting license and have just started a sports betting business.

Choctaw Nation, which we signed a few days after the Q1 report, I think it's a very important long-term strategic deal for Kambi. It gives us, first of all, a big presence in Oklahoma when that states decides to regulate. But as you can see on the map here, the proximity to Dallas gives them probably a lot of traffic if Oklahoma would regulate before Texas. But also with the possibilities of Texas regulating, Choctaw Nation has a fantastic position. They are an official partner of the World Series Champions, Texas Rangers, and with the last proposal of a regulation that was tied to professional teams. So, that would give Choctaw Nation a very, very good possibility to also get a good foothold in Texas if and when Texas decides to regulate. So, this is a deal we have been working on since, I think, 2019. And we're very, very pleased to finally get it done.

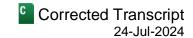
Just before Euros, we did successful launches both with Svenska Spel and LiveScore. As you can imagine, this is two deals where they migrated away from other suppliers, which means that they had very particular product requirements, and there is more complexity in doing this kind of migration. This has went very, very smooth. I'm very impressed of what we have been able to achieve doing these product requirements in time, and I think the early results from the big tournament has been very, very positive, both for Svenska Spel and LiveScore Group.

With Svenska Spel, we also saw Shape Games delivering a unique front-end to Svenska Spel. So, again, we get some added value over the Shape Games business to be able to support the deals such as Svenska Spel.

With LiveScore Bet we have also in a couple of weeks ago successfully migrated the largest brand Virgen Bet. So, they are also up and running in the UK market now. And with that, we have managed all of LiveScore's migrations of their current business in Nigeria, Netherlands, UK, and Ireland.

We had two very large and important football tournaments, which usually happens every second year. I believe the Euros, and Copa Americas, or the World Cup, it has been a little bit different the last couple of years because of choices of locations and, of course, COVID. But I hope we're back to the normal route now. And as you can see here, the growth we have had on these two tournaments has been quite good. With Euros, which is, of course, in very established market for us, you see a very nice growth of 14%.

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But what I really want to highlight here is Copa, which had growth of over 200%. And I think this is a testament to our position in the Latin American market, and especially in Colombia. Worth noting that Colombia actually reached to the final. Thankfully, for us, maybe, they didn't win the final, and I think that really has contributed to great results on both the Euros and the Copa during this tournament.

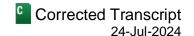
During the Copa America final, we also saw 1.3 million Bet Builder bets. And I think one thing we would like to highlight is that, out of this 1.3 million Bet Builder bets, 690,000 Bet Builder bets was unique, different combinations. And I think this shows a little bit on where the betting industry is going and the importance of being able to have a very, very large and flexible system for in-event combinations. And I think we are very proud with the technology we have built now. These Bet Builder [ph] software is, of course, traded and risk managed (00:13:40) by Tzeract, so we expect to be able to keep on the level of offering we have for these two big tournaments to the large football leagues during autumn.

I also just wanted to show the importance of these tournaments compared to other important events. And as you can see, Copa America actually outshined even the NFL playoffs and Super Bowl this year, was big even March Madness. And as you can see, Euro was significantly larger than the other tournaments on this picture.

I'm also very pleased to announce my successor, Werner Becher. We – Werner will actually start tomorrow, so very pleased with that. Werner was a standout candidate in a field of very strong candidates, I would say. His background in technology, coupled with his industry experience both in the B2C and B2B field has been very contributing factors to the appointment. And, yeah, I'm exceptionally confident that he will be a great successor to me. Of course, I will, myself, continue from the board, which I was elected to join in May, and I will remain closely involved with the business and ensure that the handover will go smoothly. And then focusing more on the long-term strategy.

So, to summarize the quarter, we had two very successful tournaments in Euro 2024 and Copa America. We have a leading product, and I think this really underlines how strong our sports betting product is at the moment. We, as I said, are very delighted to have appointed Werner as our new CEO. And with his experience and leadership, I'm confident he can take Kambi to the next level. We are continuing with our long-term strategy to open up our platform and provide a portfolio of services.

And with that, I would like to thank you. It has been a fantastic journey for me personally. I'm very proud of what we have achieved during these years, and we believe we have set up a great foundation for future success.



QUESTION AND ANSWER SECTION

Mia Nordlander

Senior Vice President-Investor Relations, Kambi Group Plc

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So, thank you very much, Kristian. Thank you very much, David. It's time for questions. We will start with the telephone. So, first of all, I would like to welcome Oscar Rönnkvist from ABG. It's your turn. Please go ahead.

Oscar Rönnkvist

Analyst, ABG Sundal Collier AB

Perfect. Thank you, Mia. And, yeah, first of all, thank you, Kristian as well, and I wish you all the best in your future endeavors. And happy to see you on the board as well. So, my first question would just be on the employees and the OpEx development, which seems to have been flattening out a little bit. Also looking at your implicit H2 guidance on OpEx, could see that employees are flattening out or slightly being down a little bit. So, could you just talk about the head count going forward, and what you expect in terms of potential OpEx increase, or if that should be flattening out from here driven by the Al trading? Thanks.

David Richard Kenyon

Chief Financial Officer, Kambi Group Plc



Sure. I can take this. Yeah. I mean, you're right, firstly, that it has flattened out, and I think we've seen our head count stabilize over the last, kind of, 12 months. Going forward, I think, I mean, we haven't put out a guidance yet. We typically will do that later in the year for next year. But, long term, there will be some synergies from the divisions – through the acquisitions we've made with Shape, but also the Tzeract division. So, we'll set those out in detail when we have a very clear timeline for them. But, absolutely, I think both of those areas can provide head count synergies.

Oscar Rönnkvist

Analyst, ABG Sundal Collier AB



Got it. But I think it's sort of 10% to 15% OpEx increase year-over-year that you talked about a few years ago. Is that sort of, can we interpret that that's not going to happen going forward or if that's too much to say at the moment?

David Richard Kenyon

Chief Financial Officer, Kambi Group Plc



I don't commit to a number at this stage. But, I mean, I think you're seeing a slowdown in the costs already now. And like there are other synergies still to come. So, yeah, we'll keep you posted as and when we can be more clear on that.

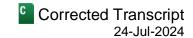
Oscar Rönnkvist

Analyst, ABG Sundal Collier AB



Yeah, perfect. Thank you. My second question would just be in respect of your final day, Kristian, I think I have to ask the question on the pipeline. So, I noticed that obviously you can't say anything about it, but you haven't begun the new buyback program now after the report. So, I guess, it could be some sort of more related things. So, respect that you can't say anything about that, but just sort of in general, I think you've commented a little bit

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on the pipeline as well before. Is it anything that you can say or are you still keen on delivering a solid H2 in terms of signings, or is it anything that you can elaborate on? Thanks.

Kristian Nylén

Chief Executive Officer & Director, Kambi Group Plc

Yeah, of course, I can't comment on any specifics, but I'm still steadfast in what I said earlier quarters, we have a very strong pipeline. And as I said, with Choc – I mean, we started talking to Choctaw in 2019, and we signed them a few months ago. So, some cycles are very long, but I'm very, very positive, and I think we'll have a good chance to do more business in the future.

Oscar Rönnkvist

Analyst, ABG Sundal Collier AB

Thank you. Just the final one, just on Choctaw. Obviously, great opportunity in Oklahoma, and also, Texas. Do you have any sort of view on the Texas regulation in 2025? It's – correct me if I'm wrong, but it's 2025 or 2027, we could potentially see it. Is that anything that you are seeing any positive signs on?

Kristian Nylén

Chief Executive Officer & Director, Kambi Group Plc

No, I think – I mean, yeah, there is positive signs, but in there, I mean, it is a political decision, and it's really hard to know what will happen, especially now when you also have election coming up that may change things. But, yeah, I think there is a chance for sure that something happen next summer.

Oscar Rönnkvist

Analyst, ABG Sundal Collier AB

Got it. That was all. Thank you, Kristian.

Kristian Nylén

Chief Executive Officer & Director, Kambi Group Plc

Thank you.

Mia Nordlander

Senior Vice President-Investor Relations, Kambi Group Plc

Thank you very much. Next person is Georg Attling from Pareto. Good morning.

Georg Attling

Analyst, Pareto Securities AB

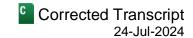
Yes. Good morning, all. And just echoing Oscar here. Congrats, Kristian, on the tenure coming to an end in a very good way. I have a couple of questions. So, just start with the top line guidance for the full year, and not raising it. So, that the midpoint, sort of, implies flat growth here in the second half of the year. But could you add some more comments to how you view the guidance now compared to when you first issued it maybe?

David Richard Kenyon

Chief Financial Officer, Kambi Group Plc

Yeah. I mean, first, I could say, we're, I would say, more confident we're going to hit it. We're halfway through, and we're well on track towards hitting it. Also that in terms of tailwinds here we have the recently launched partners such as LiveScope and Svenska Spel. So, we'll obviously get a full half of revenues from those customers. But

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the really key one to mention here is the Penn transition fees. So, first half we had six months of those that will only have one month of those in the second half. So, that's a €5 million headwind on a kind of first half versus second year – second half of the year.

Also, of course, we've had a high trading margin in the first – operator trading margin in the first half and the Euros and Copa, like I mentioned. So, those, of course, won't necessarily – or those tournaments, we only get the tail end of those in the second half.

And then probably the last one to mention is the Swedish gaming tax increase, which is another headwind we talked about of €0.4 million headwind in the second half. So, you can see there's quite a few moving parts here, that's why we don't really want to narrow the range. But hopefully we're still very confident we're going to be well in that range, and hopefully, towards the upper end.

Georg Attling

Analyst, Pareto Securities AB

Yeah, fair enough. And then on the betting margin, could you say how much of that strong margin is driven by the increase in penetration of Bet Builder? And how much is just the favorable results in sort of the normal betting products?

Kristian Nylén

Chief Executive Officer & Director, Kambi Group Plc

I don't have any numbers on it, but, of course, I think on the two big tournaments here, we had over 30% of the turnover coming from Bet Builder. So, I think it has quite a big impact, especially when you have big tournaments. But, yeah, except the first couple of dates in Euro, I mean, where the results was exceptionally betting friendly – bookmaker friendly. So, I think, yeah, what that you see a new record on margin it's definitely more to be contributed to the great results.

Georg Attling

Analyst, Pareto Securities AB

Yeah. You can't quantify the difference in margins between Bet Builder and just regular bets?

Kristian Nylén

Chief Executive Officer & Director, Kambi Group Plc

No, I – I mean, they are quite correlated since even Bet Builder are very much based on the good results. So, it's hard.

Georg Attling

Analyst, Pareto Securities AB

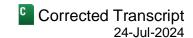
Yeah. And then, obviously, this probably had an impact on turnover, as you mentioned in the report. I know you, sort of, guided on how much of an impact that has on turnover. Is that something you could do here in the quarter as well?

David Richard Kenyon

Chief Financial Officer, Kambi Group Plc

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You mean the dampening effects of the margin? This really isn't an exact science, so we don't like to put a number on it as such, but it's included – when the margin's over 10% and we're guiding a lot lower than that, it's not an exact science. I don't know if we [indiscernible] (00:24:55).

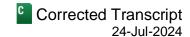
Mia Nordlander Senior Vice President-Investor Relations, Kambi Group Plc It's hard. We try to figure it out, but it was not really possible, [indiscernible] (00:25:00). Georg Attling Analyst, Pareto Securities AB Yeah. And then just a final two ones. First, if you could share the contribution from Shape? And then, second, if you have any comments on the future with LeoVegas when that contract ends, and if you think there's any possibility of an extension, or if that's lost business when current contract ends. Thanks. David Richard Kenvon Chief Financial Officer, Kambi Group Plc Yeah. I mean, on the modules, if we look at them altogether now as a whole, so across LeoVegas, Shape, and Tzeract they contribute around €5 million on the revenue basis and a small positive on EBITDA basis. Shape being the biggest element within those three. Kristian Nylén Chief Executive Officer & Director, Kambi Group Plc And on Leo, I mean, we don't know very much at the moment. Of course, the platform we have acquired is not yet customized to do all the different geographies. So, yeah, we'll see. But there will surely be discussions during autumn on how Leo and MGM decides to do with transition. **Georg Attling** Analyst, Pareto Securities AB Yeah. And you can say when the current contract ends precisely? Kristian Nylén Chief Executive Officer & Director, Kambi Group Plc No, we have never disclosed that. **Georg Attling** Analyst, Pareto Securities AB Okay. All right. That's all for me. Thank you very much. Kristian Nylén Chief Executive Officer & Director, Kambi Group Plc Thank you.

Senior Vice President-Investor Relations, Kambi Group Plc

Thank you very much. Next in line is Martin Arnell from DNB. Good morning.

Mia Nordlander

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Martin Arnell

Analyst, DNB Markets

Good morning, everyone. I wanted to follow-up on this implied guide for the second half. You commented on the headwinds if you look first half versus second half with the [indiscernible] (00:26:50), but how does it look year-on-year? Because you did almost €12 million last year in the second half and the implied midpoint guidance range or midpoint from the range now is like €6 million, I think.

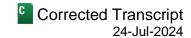
David Richard Kenyon Chief Financial Officer, Kambi Group Plc Well, things change fast year-on-year. Yeah, there's not – we're most certainly focusing our analysis on versus the first half. So, yeah, I don't – we're not really providing a forecast for the second half. So, I mean, it's not what I want to go into too much more. Martin Arnell Analyst, DNB Markets No, but it's in the implied guide. But, if I frame it like this, the Penn revenue that you had last year... **David Richard Kenyon** Chief Financial Officer, Kambi Group Plc Yeah. Martin Arnell Analyst, DNB Markets ...you're not going to have this year in the second half, right? Do you know how much that is on top of your head? **David Richard Kenyon** Chief Financial Officer, Kambi Group Plc Yeah. I mean, that's – that we had – it'd be a €5 million headwind again from the second half last year... Martin Arnell Analyst, DNB Markets Yeah. Okay. David Richard Kenyon Chief Financial Officer, Kambi Group Plc ...versus this year. Yeah. Martin Arnell Analyst, DNB Markets

So, at least that's the €5 million. So, then your – the implied guide is fairly flattish EBIT on the second half. And I

was just wondering if there was anything more that we should – how to interpret that, but...

David Richard Kenyon
Chief Financial Officer, Kambi Group Plc

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No, the Swedish tax one I mentioned [indiscernible] (00:28:14) a new headwind for us, which will start this second half, which we didn't have last year. That's an €0.4 million, but there's probably not many other specific points to call out.

Mia Nordlander Senior Vice President-Investor Relations, Kambi Group Plc And maybe another thing... Martin Arnell Analyst, DNB Markets Okay. Mia Nordlander Senior Vice President-Investor Relations, Kambi Group Plc ...another thing to point out when we – versus year-on-year. So, of course, the headwinds with new contract terms, that's, of course, impacting us as well year-over-year. Martin Arnell Analyst, DNB Markets Yeah. Okay. Thank you. And then, can you comment a little bit more on this comment on the lower data supplier costs that certain partners are engaging with suppliers directly? If you could elaborate a little bit more on that, please. David Richard Kenyon Chief Financial Officer, Kambi Group Plc Yeah. I mean, the partners are free to – basically with data they can either come to us and we act as a kind of hub for all our partners direct to liaise with the data suppliers, or they can go direct and do their own deals. And it doesn't really matter to us insofar as if they come to us, we have a cost and a revenue. And if they go direct, we have neither. So, this is just a question of one or two of them going – deciding to go direct as opposed to reaching it through us just so they have their own personal relationship with the data supplier. So, zero impact on EBIT. It just affects revenue and cost lines. Martin Arnell Analyst, DNB Markets Yeah. Okay. Thank you. And then my final question is on what's your expectations on potential launch in Brazil at this point? Kristian Nylén

Mia Nordlander

Senior Vice President-Investor Relations, Kambi Group Plc

Chief Executive Officer & Director, Kambi Group Plc

Yeah, it seems to be some delays with the regulation, to be honest, but hopefully, we'll launch 1st of January. But you never know with Brazil. I've been saying last couple of years that this is the year, but we're still hopeful.

I think we still expect and hope that the 1st of January is the date that everyone is targeting.

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Corrected Transcript 24-Jul-2024

Martin Arnell

Analyst, DNB Markets

Yeah. Okay. Thanks. That's all for me and good luck in your new role, Kristian.

Kristian Nylén

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Chief Executive Officer & Director, Kambi Group Plc

Thank you.

Mia Nordlander

Senior Vice President-Investor Relations, Kambi Group Plc

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Okay. Thank you very much. Now, it's time for questions from the Web. I start with you, Kristian. Can you give some insight on Bally's launch in the UK? Are there plans to launch more brands in the UK or other markets?

Kristian Nylén



Chief Executive Officer & Director, Kambi Group Plc

Don't think we have any plans to launch any new brands, so, yeah, I think it's like the existing brands we're doing the launch with. So, yeah.

Mia Nordlander



Senior Vice President-Investor Relations, Kambi Group Plc

A few questions about [indiscernible] (00:30:43) during the Euro and Copa. Anything you can share with us what happened?

Kristian Nylén



Chief Executive Officer & Director, Kambi Group Plc

No, I can't go into any details really. But we did some launches of improved tooling, which had some [indiscernible] (00:31:02) problems. But, overall, yeah, we had some mishaps that was corrected very quickly. But, overall, I would say, that the product has become much, much stronger and [ph] result of these (00:31:17) improvements, I think, we also have a much, much better risk control now than we had before.

Mia Nordlander



Senior Vice President-Investor Relations, Kambi Group Plc

Thank you, Kristian. Anything you can share with us development been for Abios during – for esoccer during Euros and Copa?

Kristian Nylén



Chief Executive Officer & Director, Kambi Group Plc

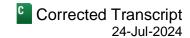
To be honest, I don't know the numbers, but, in general, what I can say about the esoccer is that, I mean, it is absolutely flying. If it were to be considered a league, it would probably be one of our largest soccer leagues. So, it [ph] had (00:31:59) really taken off, and it's very, very pleasing to see, and I hope we will have the same effect with ebasketball. So...

Mia Nordlander



Senior Vice President-Investor Relations, Kambi Group Plc

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Thank you. And the last question here. Dialogue with new customers for Bet Builder, I mean, Tzeract. Anything you can share there? What's the interest?

Kristian Nylén

Chief Executive Officer & Director, Kambi Group Plc

No. Of course, there are dialogues. I can't share very much more until something is happening.

Mia Nordlander

Senior Vice President-Investor Relations, Kambi Group Plc

Thank you very much. Thank you, David. Thank you, Kristian. We will miss you a lot. Thank you for all these fantastic years. Actually, now I have a surprise for you. I have a special guest. Very welcome, Werner Becher to the stage, our new CEO from tomorrow.

Werner Becher

Chief Executive Officer, Kambi Group Plc

Hi, everyone.

Mia Nordlander

Senior Vice President-Investor Relations, Kambi Group Plc

Kristian mentioned that your background comes from tech but also from the industry. Can you please give me some more information of your background and who are you?

Werner Becher

Chief Executive Officer, Kambi Group Plc

Yeah. Thank you. So, my career started as a software developer and later I co-founded one of Austria's leading software companies. After successful exit, I was CEO of Interwetten, a B2C betting and gaming operator for eight years. And we tripled the revenues in these eight years. In 2019, I moved to the US as Managing Director for Sportradar, and we had a Nasdaq IPO in 2021. And I moved then back to Europe as CEO of Europe, Middle East, Africa, and Latin America. So, I think I have a strong tech background. Yes.

And having been in the shoes of B2C CEOs myself, I think I also understand a little bit the challenges operators face today. And at Sportradar, of course, I could build a great B2B network in our industry around the globe selling modular services.

Mia Nordlander

Senior Vice President-Investor Relations, Kambi Group Plc

Great. It sounds like a perfect fit for us. But why do you find Kambi interesting? What's – yeah. What's your view?

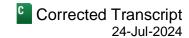
Werner Becher

Chief Executive Officer, Kambi Group Plc

Yeah. So – yeah. I think this is easy question. So, Kambi is clearly the leading independent sportsbook company on this planet. And as a betting operator, if you want to compete with this big global Tier 1 operators out there, if you really want to compete with them, I think you have to talk to Kambi. We must be on top of your partner list. Why? Because this is – from my perspective, this is a critical time for the industry. I see many operators struggling



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out there. Why? Because of technology is evolving really rapidly, and with Kambi as a partner, I think all the operators can be sure that they will stay ahead of the game.

Mia Nordlander

Senior Vice President-Investor Relations, Kambi Group Plc

Great. And last question. What are you most excited about?

Werner Becher

Chief Executive Officer, Kambi Group Plc

So, first of all, I would like to thank Kristian. I think he and his team have done a great job, and I'm honored that there will be handing over an incredible company tomorrow from Kristian. Kambi has a very, very good reputation in the industry, and clearly, offers the best sportsbook platform, and will continue to do so in the future.

My vision for the company is to even expand the TAM of the company on top of the sportsbook platform we already have today, fully in line with the long-term strategy of the company to also offer now our odds feeds, our managed trading, our Bet Builder, player profile, and much more services as easy to integrate services for our customers. And the foundations are definitely already in place. And I come in now with my network and some experience in pricing and selling products like that.

Mia Nordlander

Senior Vice President-Investor Relations, Kambi Group Plc

This sounds fantastic. So, welcome from tomorrow then.

Werner Becher

Chief Executive Officer, Kambi Group Plc

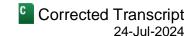
Thank you.

Mia Nordlander

Senior Vice President-Investor Relations, Kambi Group Plc

And thank you, everyone, for listening to us. Werner, David, and I will be back on the 6th of November for the Q3 report. And I wish you a very lovely day. Thank you very much.

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