

“Strong business momentum and continued focus on scalability contribute to significant increase in underlying EBITDA”.

Henrik Tjarnstrom, CEO

KINDRED GROUP PLC

INTERIM REPORT JANUARY - MARCH 2021

Financial highlights

First quarter 2021

- Gross winnings revenue amounted to GBP 352.6 (249.7) million, an increase of 41 per cent.
- Underlying EBITDA was GBP 98.0 (42.5) million.
- The result for the quarter was impacted by foreign currency losses on operating items of GBP 8.0 (1.8) million which are primarily unrealised losses as they relate to the retranslation of foreign currency current assets and liabilities. As the Group has significant cash balances in foreign currencies, and foreign currency rate movements were substantial, the impact was unusually large during the quarter.
- Profit before tax amounted to GBP 85.3 (2.4) million.
- Profit after tax amounted to GBP 72.6 (1.0) million.
- Earnings per share were GBP 0.32 (0.00).
- During the quarter, 1,032,500 shares/SDRs were purchased at a total price of SEK 146.0, or GBP 12.4, million.
- Free cash flow amounted to GBP 90.1 (22.3) million.
- Number of active customers was 1,818,759 (1,531,302).

Key highlights

- The start of the year has continued to show strong business momentum across all markets and product segments with Gross winnings revenue up 41 per cent. Strict focus on scalability has led to an underlying EBITDA margin of 28 per cent, including unrealised foreign currency losses of GBP 8.0 million.
- Active customers reached a new all-time high of 1.8 million, which puts the Group in a strong position ahead of the big summer of sport.
- Gross winnings revenue from locally regulated markets increased solidly by 39 per cent compared to the same period last year, reaching GBP 209.1 million and accounting for 59 per cent of total revenue.

Key figures

GBP m	Q1		Full year
	2021	2020	2020
Gross winnings revenue	352.6	249.7	1,130.2
EBITDA	97.6	32.5	274.2
Underlying EBITDA	98.0	42.5	286.8
Profit before tax	85.3	2.4	193.1
Profit after tax	72.6	1.0	165.2
Earnings per share (GBP)	0.32	0.00	0.73
Net cash/(net debt) / EBITDA, rolling 12-month basis	0.52	-1.03	0.38
Free cash flow	90.1	22.3	267.5
Active customers (No.)	1,818,759	1,531,302	

CEO comment

Strong business momentum and continued focus on scalability contribute to significant increase in underlying EBITDA

The positive momentum from 2020 has continued into 2021 across our markets and product segments. We ended 2020 with a new all-time high in active customers and I'm pleased to see this trajectory continuing into the first quarter of 2021 with a new active customer record of over 1.8 million. It's particularly encouraging as we look forward to an exciting year of sport ahead.

Strong performance continues despite a normalised sports betting margin

Although we are starting to see some markets ease restrictions, lockdowns remain prevalent across the world as a result of the pandemic. Despite this, markets across Europe have shown continued growth during the quarter thanks to sustained high customer activity, resulting in Gross winnings revenue increasing 41 per cent (39 per cent in constant currency) to GBP 352.6 million from the same period last year. It is worth noting that this has been achieved despite a more normal sports betting margin of 9.4 per cent, following the exceptional margin in the first quarter of 2020.

Our continued focus on cost control and scalability has in turn contributed to underlying EBITDA improving by 131 per cent from the first quarter of 2020 to GBP 98.0 million, including unrealised foreign currency losses of GBP 8.0 million.

Sustainable growth in locally regulated markets is a key part of our strategy

Our focus on sustainable growth in locally regulated markets is proving effective, with Kindred gaining market share in many markets. In the UK, despite it being a mature and highly competitive market, the local team's ability to focus on sustainable commercial activities is having the desired result of continued growth and stronger local community

engagement. Unibet's sponsorship of the Cheltenham Festival in the UK has been the highlight of the quarter with great exposure for the Unibet brand.

In the US, our long-term investments are continuing to pay off, with Gross winnings revenue increasing 185 per cent (203 per cent in constant currency) compared to the same period last year. Our selective organic growth strategy is also moving forward as planned, with launch into our fourth state, Virginia, planned for 28 April 2021.

Contributing to fact-based debate

As markets continue to regulate at a local level, including the Dutch market which is now welcoming licence applications, we see an increased need for fact-based debate. At the end of last year, we decided to report our share of revenue derived from high-risk customers, which is allowing us to openly discuss what is required to make gambling safer and regulation sustainable. I am pleased to see our "journey towards zero" moving forward as planned, but I am equally aware that this will not be a straight-forward journey.

A solid start in the run up to the Euros

The second quarter of 2021 has started off well with the average daily Gross winnings revenue for the first 25 days in April being 52 per cent (55 per cent in constant currency) higher than the full second quarter of 2020. The coming months leading up to what will be one of the largest betting events in history – the UEFA Euro 2020 – will be very exciting and I know the team is busy preparing. The Kindred team have always managed to deliver a safe, exciting and memorable customer experience during major events, and I am fully confident this year's events will be no exception.

Henrik Tjärnström, CEO



Gross winnings revenue GBP 352.6m (+41%)	Locally regulated share of GWR GBP 209.1m (59% of GWR)	Underlying EBITDA GBP 98m (+131%)	Free cash flow GBP 90.1m (+67.8m)	Active customers 1,818,759 (+19%)	Net Cash GBP 174.9m
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Significant events

During the quarter

- On 8 February 2021, as part of its “journey towards zero”, Kindred published its first report on its share of revenue derived from high-risk customers. This report is now being published each quarter going forward.
- On 9 February 2021, Kindred announced a partnership with the Quechan Tribe of the Fort Yuma Indian Reservation to secure market access to California and Arizona. The agreement, which will allow Kindred to offer both online and retail sports betting as well as iGaming, spans 10 years and includes an extension option at the end of this period. Launching in these States is conditional upon the introduction of local legislation.
- On 26 February 2021, it was announced that the Board of Directors had decided to start exercising the buy-back mandate received at the Extraordinary General Meeting on 11 June 2020. The programme, running between 1 March and 30 April 2021, amounts to a total of up to SEK 190 million. Between 1 and 31 March 2021, 1,032,500 shares/SDRs were purchased at a total price of SEK 146.0, or GBP 12.4, million. As at 31 March 2021, after the above transactions and the vesting of 1,189,899 share awards under the 2020 long-term incentive plan on 26 March 2021, the total number of issued shares in the company is 230,126,200 and Kindred’s holding of its own shares is 2,813,959. The intention of the Board is to cancel most of the repurchased shares and will seek approval for this at the Annual General Meeting in May 2021.

After the end of the quarter

- On 1 April 2021, Kindred completed the previously announced acquisition of 100 per cent of the shares in Blankenberge Casino-Kursaal (Blancas) NV which operates Casino Blankeberge in Belgium, from The Rank Group Plc. The total acquisition price was GBP 25 million on a cash free and debt free basis and has been settled in cash. The acquisition will solidify Kindred’s long-term operations and commitments in Belgium and will allow Kindred to continue to provide an attractive and broad offering to Belgian customers. Blancas NV will be operated as a separate entity within the Kindred Group under the leadership of the current management team.
- Between 1 and 26 April 2021, 224,000 shares/SDRs were purchased at a total price of SEK 34.7 million as part of the buyback programme discussed above. After these transactions, the total number of issued shares in the company is 230,126,200 and Kindred’s holding of its own shares is 3,042,060.
- On 14 April 2021, a 32Red customer won the MicroGaming WowPot on the Book of Atem progressive slot, taking home over GBP 15 million. This is the biggest win in Kindred’s history. As this slot has a pooled jackpot between many operators, it will have no impact on Kindred’s income statement.
- On 22 April 2021, Kindred was awarded one of the seven available direct market access mobile sports betting permits in Virginia from the Virginia Lottery. Kindred plans to launch into the market on 28 April 2021 and will offer customers in Virginia a first-class online sportsbook experience under its Unibet brand.
- On 27 April 2021, Kindred published its latest report on its share of revenue derived from high-risk customers, as part of its “journey toward zero”. For the first quarter of 2021, this was 3.9 per cent.

Trading update

- Average daily Gross winnings revenue for the Group for the first 25 days of April 2021 was 52 per cent (55 per cent in constant currency) higher than the full second quarter of 2020.
- Average daily Gross winnings revenue for the US market for the first 25 days of April 2021 was 16 per cent higher than the full second quarter of 2020 in US Dollars (5 per cent higher in GBP). From the next quarter onwards, Kindred will only give one trading update for the whole Group and not a separate update for the US market.

Customer activity

The level of customer activity has remained high across the business with the total number of registered customers increasing to around 30.4 (27.9) million at 31 March 2021, whilst at 31 December 2020 over 29.7 million customers were registered.

For the first quarter of 2021, the number of active customers amounted to 1,818,759 (1,531,302), an all-time high level and a 19 per cent increase compared to the first quarter of 2020. Kindred has benefited from continued migration from offline to online.

The trend in the number of active customers can be seen in the graph below, with an active customer defined as one placing a bet in the last 90 days.

1,818,759

Active customers

+19%

Active customer growth from Q1 2020



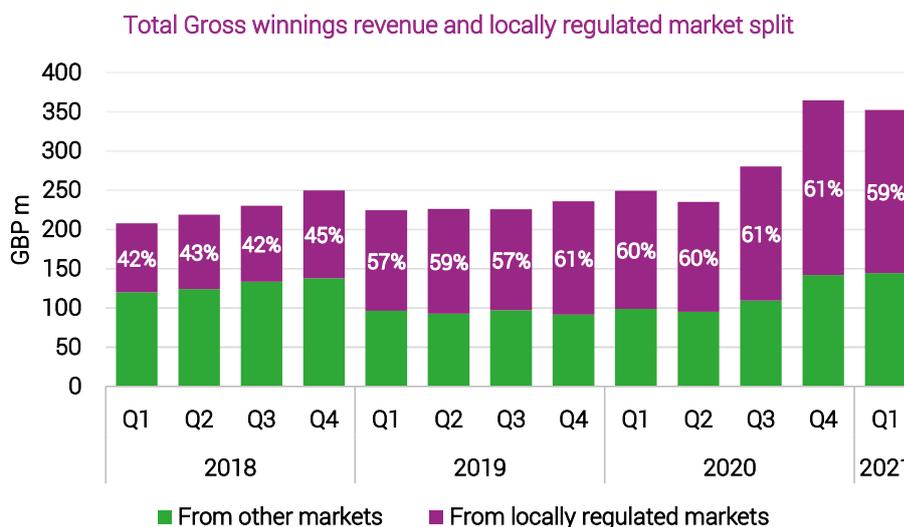
Financial review

Gross winnings revenue

Total Gross winnings revenue for the first quarter of 2021 amounted to GBP 352.6 (249.7) million, a significant increase of 41 per cent (39 per cent in constant currency) from the first quarter of the prior year, as the Group continues to capitalise on solid active customer growth throughout this period. Strong customer activity has led to all-time-high Gross winning revenue levels in several markets during the quarter as well as continued impressive performance in the casino & games product segment.

Gross winnings revenue from locally regulated markets, a key strategic area for the Group, stood at 59 (60) per cent of the total quarterly revenue, as can be seen in the graph below. Despite the slight decrease in Gross winnings revenue from locally regulated markets, due to marginal variances in market performances across the Group compared to the same period last year, all markets reported solid growth during the first quarter of 2021.

More information on Gross winnings revenue, split by both region and product, is provided on the following pages and in the appendix on pages 22 and 23.



Gross winnings revenue by region

Western Europe

Western Europe Gross winnings revenue amounted to GBP 240.9 million for the first quarter of 2021, an increase of 58 per cent from the same period in 2020.

During the quarter all the main markets within the region including the UK, Belgium, France and Netherlands performed very well, despite weaker sports betting margins than the same period in 2020.

UK performance continues to build on the exceptionally strong 2020 results and this quarter recorded another all-time high for revenue. For the first quarter of 2021, Gross winnings revenue for the UK market more than doubled compared to the equivalent quarter in 2020. Kindred's targeted approach to customer acquisition, combined with a superior product offering, gives the opportunity to improve efficiency of customer incentives. Cheltenham was a key event in the quarter for UK racing and Unibet performed strongly

GBP

352.6m

Gross winnings revenue

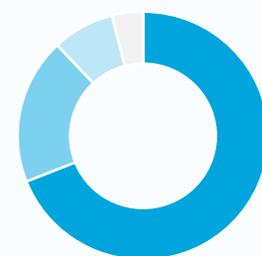
+41%

Gross winnings revenue growth from Q1 2020 (+39% in constant currency)

59%

Gross winnings revenue from locally regulated markets

GWR by region



- Western Europe - 69%
- Nordics - 19%
- Central, Eastern and Southern Europe - 8%
- Other - 4%

again. For 32Red, the highlight was the launch of a new brand creative in the final weeks of the quarter which has already supported strong active customer growth.

Nordics

Nordic Gross winnings revenue amounted to GBP 67.8 million for the first quarter of 2021, an increase of 1 per cent from the same period in 2020.

Kindred's continued compliance with COVID-19 measures implemented by the Swedish government, such as deposit limits and further restrictions to bonus offers, resulted in a drop in casino revenues in the first quarter of 2021 compared to the same period in 2020. This was driven by a decline in average revenue per user (ARPU) with casino active customers increasing. Supported by the Swedish Elite Football sponsorship, Sportsbook activity continues to see strong growth.

Following the increase in betting duties within the Danish market at the start of the year, Kindred achieved improvements in marketing efficiency in order to set the platform for future scalable growth. Gross winnings revenue for the quarter saw a 2 per cent decline compared to the first quarter of 2020, largely due to a much weaker sportsbook margin.

Central, Eastern and Southern Europe

Central, Eastern and Southern Europe Gross winnings revenue amounted to GBP 29.0 million for the first quarter of 2021, an increase of 33 per cent from the same period in 2020.

Romania was the biggest contributor to this growth where Kindred's two brands, Unibet and Vlad Casino, continue to perform well following a successful 2020. Kindred's multi brand approach has allowed the Group to continue to take market share in Romania, with the Vlad Casino brand a significant growth driver since its launch in 2018. For the first quarter of 2021, active customers, turnover and Gross winnings revenue for Vlad Casino were all more than double their prior year comparative. Alongside this, Unibet has experienced substantial growth across products, placing the Group in a strong position for the summer of sport ahead.

Other regions

Other regions Gross winnings revenue amounted to GBP 14.9 million for the first quarter of 2021, an increase of 91 per cent from the same period in 2020.

Gross winnings revenue for the US market amounted to GBP 7.4 million in the first quarter of 2021, an increase of 203 per cent in local currency compared to the first quarter of 2020. Player acquisition levels continued their strong performance into the first quarter of 2021, with focused marketing and bonus campaigns surrounding the Superbowl and March Madness. Paired with increased efforts on retention, this aided growth in active customer levels by 92 per cent compared to the first quarter of 2020.

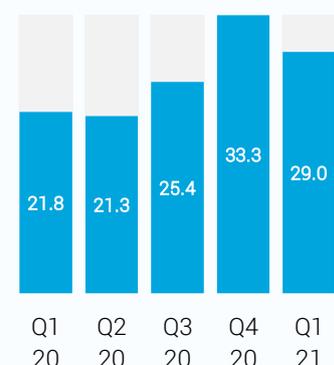
Western Europe GWR (GBP m)



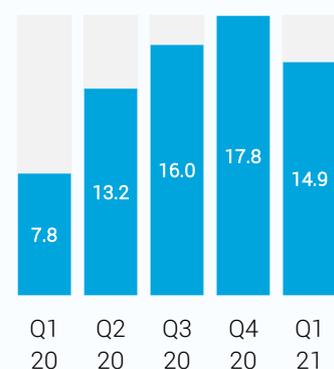
Nordics GWR (GBP m)



Central, Eastern and Southern Europe GWR (GBP m)



Other regions GWR (GBP m)



Gross winnings revenue by product segment

Sports betting

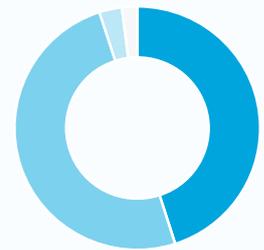
Gross winnings revenue increased by 30 per cent compared to the first quarter of 2020. The first quarter of 2021 saw the continuation of a busy sports calendar and spacing between matches produced less cannibalisation of bets which continues to be beneficial for turnover per match.

Kindred enjoyed another strong quarter for racing with significant growth across actives, turnover, bets and Gross winnings revenue. In the first quarter of 2021, Kindred’s proprietary racing product took another step forward by launching in Sweden, following a soft launch in the fourth quarter of 2020. During the quarter a lot of work has continued to improve and localise the racing product in Sweden.

The Cheltenham festival in March was the highlight event of the quarter and the flagship event in the annual UK racing calendar. Kindred performed strongly with global turnover reaching 26 per cent growth compared to the 2020 festival. The Gross win margin was also positive compared to 2020 which has further bolstered the Group’s racing Gross winnings revenue for the quarter.

The gross margin for total sports betting for the first quarter of 2021 before free bets was 10.8 (12.2) per cent and after free bets was 9.4 (10.7) per cent, slightly higher than the Group’s long-term average sports betting margin of 8.9 per cent (defined as the average margin over the last twelve reported quarters). In recent years, the typical average sports betting margin for the Group has increased. This is generally due to the fact that the French sports business has grown faster than the average growth for other markets and, like all operators, Kindred is required to cap pay-back to customers at 85 per cent over time. However, sports betting gross margins can vary quite significantly from one quarter to the next, depending on the outcome of sporting events. It is expected that over time these margins will even out. This can be seen in the graph below. The bars show total sports betting gross margin by quarter and full year. Please refer to page 23 for more information on sports betting margins.

GWR by product



- Sports betting - 45%
- Casino & games - 50%
- Poker - 3%
- Other games - 2%

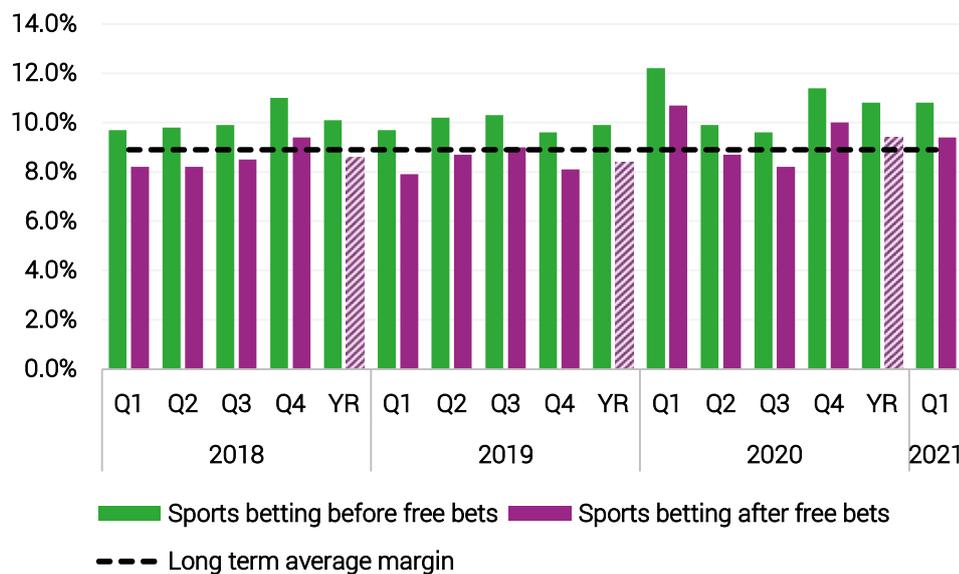
9.4%

Sports betting margin - after free bets

+30%

Sports betting Gross winnings revenue growth from Q1 2020

Gross margin on sports betting



Casino & games

The first quarter of 2021 has been Kindred's best performing quarter to date for casino & games in terms of actives, turnover and Gross winnings revenue. Gross winnings revenue increased by 56 per cent compared to the first quarter of 2020. As highlighted in the Operational review, we continue to take steps to improve the customer experience and this has played an important part in driving growth.

+56%

Casino & games Gross winnings revenue growth from Q1 2020

Poker and other products

The strong growth experienced in sports betting and casino & games also transcends to poker and other products. In the first quarter of 2021, Gross winnings revenue for poker increased by 23 per cent when compared to the same quarter in the previous year, with France leading the way for overall growth.

+23%

Poker Gross winnings revenue growth from Q1 2020

Group costs and profitability

Cost of sales

GBP m	Q1		Full year 2020
	2021	2020	
Betting duties	-72.9	-54.6	-231.0
Marketing revenue share	-15.0	-13.0	-53.6
Other cost of sales	-54.4	-41.4	-180.4
Cost of sales	-142.3	-109.0	-465.0

As the above elements all correlate directly with movements in Gross winnings revenue, they have all increased substantially in comparison to the same period of the prior year. However, betting duties and marketing revenue share remain stable when viewed as a percentage of Gross winnings revenue. Other cost of sales, which includes product commission costs, has however reduced as a percentage of Gross winnings revenue. This is due to the cost efficiencies achieved during 2020 as part of the Group's drive for scalability which have continued during 2021.

Gross profit

Gross profit for the quarter was GBP 210.3 (140.7) million, an increase of 49 per cent from the first quarter of 2020.

Marketing costs

Marketing costs amounted to GBP 58.9 (52.4) million for the quarter. The increase when compared to the first quarter of 2020 is a result of increased marketing investments to continue to drive future business growth.

As a percentage of Gross winnings revenue, total marketing expenditure (which includes the marketing revenue share within cost of sales) has however reduced to 21 (26) per cent for the quarter when compared to the same period of 2020. This is due to the achievement of significant marketing efficiencies and changing market dynamics as a result of COVID-19.

21%

Total marketing expenditure, as a percentage of Gross winnings revenue

Administrative expenses

GBP m	Q1		Full year 2020
	2021	2020	
Salaries	-28.8	-26.5	-109.7
Other operating expenses	-16.6	-17.5	-63.7
Depreciation of property, plant and equipment	-3.6	-3.7	-15.1
Depreciation of right-of-use assets	-2.7	-2.7	-11.3
Amortisation of intangible assets (excluding assets that arose on acquisition)	-4.9	-6.6	-24.3
Amortisation of intangible assets that arose on acquisition	-0.1	-1.4	-3.0
Accelerated amortisation of intangible assets that arose on acquisition	-	-10.8	-14.7
Total administrative expenses	-56.7	-69.2	-241.8

Salaries increased by GBP 2.3 million in the quarter from the first quarter of 2020. Whilst headcount has been reduced by 5 per cent between these periods, the quarter has been primarily impacted by a material increase in social security costs on the Group's employee share schemes. These costs, until the schemes vest, fluctuate in line with the Group's share price which has moved significantly within the quarter. Other operating expenses for the quarter decreased by GBP 0.9 million from the same period in 2020 as the Group continues to benefit from its efforts to optimise its consultancy expenditure. A temporary reduction in both facilities and travel costs, as many COVID-19 restrictions remain in place, also contributed to these reduced levels.

Amortisation across all intangible assets decreased significantly, by GBP 13.8 million compared to the first quarter of the prior year. During the first quarter of 2020, several one-off charges were taken, as a result of the reassessment of the fair value of intangible assets and the discontinuation of certain brands, which accounted for GBP 10.8 million of the decrease. The remaining decrease is attributable to acquired intangibles assets which were fully amortised from the second quarter of 2020 and thus did not incur a charge in the current quarter, as well as lower levels of capitalisation of development costs during 2020 which has brought down the level of associated amortisation.

EBITDA and profit from operations

Earnings before interest, tax, depreciation and amortisation (EBITDA) for the quarter was GBP 97.6 (32.5) million. Underlying EBITDA for the quarter was GBP 98.0 (42.5) million, an increase of 131 per cent from the same period in the prior year.

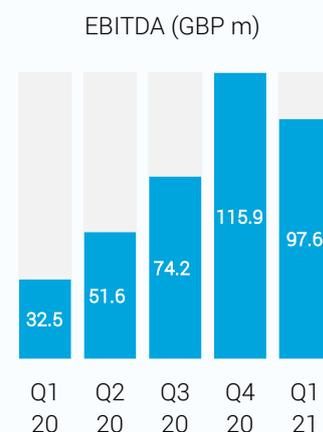
The US continues to be an investment market for the Group. The high marketing investment levels, in line with the Group's internal growth strategy, contributed to a negative underlying EBITDA of GBP 6.3 million for the quarter.

Profit from operations for the first quarter of 2021 was GBP 86.3 (7.3) million.

The considerable growth from the first quarter of 2020 for all of the aforementioned metrics, as explained throughout the report, is primarily a result of the significant growth in Gross winnings revenue and careful management of the overall cost base, offset slightly by the items affecting comparability detailed below, including the larger than normal foreign exchange loss on operating items.

5%

Other operating expenses,
share of GWR



Items affecting comparability

GBP m	Q1		Full year 2020
	2021	2020	
Management incentive costs relating to acquisitions	-0.1	-0.1	-0.4
Personnel restructuring costs	-0.3	-1.9	-4.2
Disputed regulatory sanction	-	-8.0	-8.0
Foreign currency loss on operating items	-8.0	-1.8	-1.4
Items affecting comparability	-8.4	-11.8	-14.0

GBP

8m

Foreign exchange loss on operating items

Items affecting comparability amounted to a negative contribution of GBP 8.4 (11.8) million for the quarter. Certain items previously recognised within items affecting comparability, amortisation and accelerated amortisation on assets that arose on acquisition, have been moved to administrative expenses this quarter, to better reflect the nature of the costs. The relevant comparatives have been updated in the income statement.

Personnel restructuring costs of GBP 0.3 (1.9) million have been recognised during the quarter as the Group finalises its previously communicated programme to optimise its headcount to ensure it is appropriately structured for future growth.

In the prior year, during the first quarter of 2020, a provision for a disputed regulatory sanction relating to the decision by the Swedish Gambling Regulator to issue Kindred with a fine of SEK 100.0 (GBP 8.0) million was recognised. Kindred has challenged the decision and this process remains ongoing. It is only once a final judicial decision has been issued that a fine, if any, becomes payable. In the meantime, Kindred has fully provided for this amount.

Kindred operates internationally and its results are therefore naturally impacted by currency fluctuations. During the first quarter of 2021, the foreign currency impact on operating items was a loss of GBP 8.0 (1.8) million. This primarily comprises unrealised foreign currency differences relating to the retranslation of foreign currency current assets and liabilities, including both cash and customer balances. During the quarter the Group's presentational currency strengthened substantially against the Group's main trading currencies when compared to previous quarters. This has led to a larger than usual unrealised foreign currency impact in the income statement, primarily as a result of the retranslation of the Group's significant cash balances.

Net finance costs/income

Net finance costs for the first quarter of 2021 were GBP 1.3 (1.6) million. This primarily comprises interest and fees on borrowings which amounted to GBP 1.0 (1.4) million.

Foreign currency loss/gain on borrowings

The foreign currency gains and losses on borrowings previously reported in the condensed consolidated income statement refer to the revaluation of the Group's multicurrency facilities.

On 1 January 2021, the Group implemented a net investment hedge relationship between its EUR and SEK multicurrency facilities and its foreign operations' net assets denominated in the same currencies. For the first quarter of 2021, the Group assessed the 'effectiveness' of the net investment hedge in accordance with the requirements of IFRS 9 and accordingly the foreign exchange difference on revaluation of the Group's facilities was recognised in other comprehensive income. This amounted to a gain of GBP 5.3 million for the quarter.

Profit before tax

Profit before tax for the first quarter of 2021 was GBP 85.3 (2.4) million.

Profit after tax

Profit after tax for the first quarter of 2021 was GBP 72.6 (1.0) million.

Financial position

As at 31 March 2021, GBP 113.7 (192.2) million of the Group's facilities was utilised out of a total of GBP 280.0 (280.0) million. The total borrowings recognised in the statement of financial position of GBP 113.1 (191.2) million are reported net of the associated transaction fees which were incurred upon entering the facilities agreement and which are being expensed over its duration.

The Group remains in a net cash position at the 31 March 2021 as results and cash flow generation have remained strong during the quarter. Net cash/EBITDA (rolling 12-month basis) for the quarter was 0.52 (net debt/EBITDA of 1.03).

Cash and cash equivalents at the end of the first quarter of 2021 stood at GBP 364.3 (117.1) million while at the beginning of the quarter it was GBP 300.5 (137.8) million. Please refer to the cash flow section for more detail on the movement during the period and to page 20 for a reconciliation of the unrestricted cash balance.

Capital investments

The most significant capital investments for the Group are in relation to the development and acquisition of intangible assets. Intangible assets, excluding those arising from acquisitions, comprise development costs, computer software and licenses.

In the first quarter of 2021 intangible assets of GBP 6.5 (5.5) million have been capitalised which are predominantly capitalised development costs.

Capitalised development costs primarily represent capitalised salary costs for those working on the development and enhancement of the platform. Capitalised development costs for the first quarter of 2021 were GBP 6.4 (5.3) million. This development is driving economic benefit through customer experience improvements, local licensing requirements, data analytics and information mining. The increase in costs capitalised when compared to the same period in 2020 is due to capitalisation levels starting to return to more normal levels.

Cash flow

In the first quarter of 2021, net cash generated from operating activities amounted to GBP 99.6 (23.9) million. The increase of GBP 75.7 million from the same period in the prior year is primarily the result of the improved underlying performance, with operating cash flows before movements in working capital increasing by GBP 63.9 million. This was further enhanced by positive net working capital movement due to the timing of tax refunds and movements in working capital which can be volatile from quarter to quarter due to timing of recognition of prepayments and accruals along with any settlement of payments due.

GBP

72.6m

Profit after tax

GBP

0.52

Net cash/EBITDA

Cash flows used in investing activities were GBP 7.4 (6.6) million for the first quarter of 2021. The increase from the first quarter of 2020 is a result of the increase in capital investments, predominantly in relation to capitalised development costs, as explained in the relevant section on capital investments above.

Cash flows from financing activities for the quarter were impacted by share purchases totalling GBP 12.4 (nil) million. During the first quarter of 2020, there were also repayments of borrowings of GBP 36.7 million, whilst there were no such repayments this quarter.

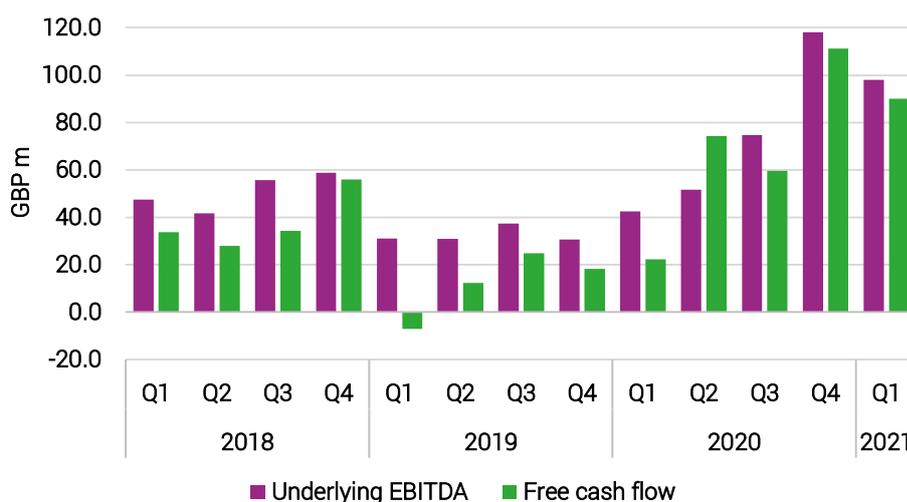
Free cash flow, as defined in the table below, for the first quarter of 2021 was GBP 90.1 (22.3) million, an increase of GBP 67.8 million from the first quarter of 2020. This is predominantly a result of the movements in net cash generated from operating activities and capital investments, as explained above.

The following table shows the reconciliation of free cash flow from net cash generated from operating activities.

GBP m	Q1		Full year 2020
	2021	2020	
Net cash generated from operating activities	99.6	23.9	316.1
Purchases of property, plant and equipment	-0.9	-1.1	-5.2
Development and acquisition costs of intangible assets	-6.5	-5.5	-20.7
Interest paid on lease liabilities	-0.4	-0.3	-1.3
Repayment of lease liabilities	-2.8	-2.8	-11.3
Adjust for: customer balance movement	1.1	8.1	-10.1
Free cash flow	90.1	22.3	267.5

The quarterly underlying EBITDA and free cash flow is shown in the graph below. The cash conversion for the first quarter of 2021 was 92 (52) per cent.

Underlying EBITDA and free cash flow



GBP

90.1m

Free cash flow

Operational review

Market update

The European online gambling market continues to experience regulatory pressure and challenging levels of perception. As stricter regulations continue to be imposed or discussed in some markets, the industry is becoming increasingly active in arguing its point of view. During the first quarter of 2021, for example, the UK online gambling industry, via the Betting and Gaming Council, has been vocal on the industry's view in relation to the UK Government's Call for Evidence as part of the Gambling Act Review. The Call for Evidence ran until 31 March and stakeholders from across the industry have managed to contribute relevant data and facts as part of the process.

It is becoming increasingly evident across most European markets that the unlicensed gambling market is growing following the implementation of stricter and non-fact-based market regulations. This is being raised by various industry stakeholders in markets such as the UK, Sweden, France, Belgium and Denmark. Stricter local restrictions are claimed to skew competition to the benefit of unlicensed operators, which is why the gambling industry is calling to be consulted when regulatory changes are being discussed.

Kindred has been an active advocate for improved KYC processes in the Danish offline market to ensure a safer and fairer gambling market. A proposal for mandatory ID checks across all gambling verticals has now been agreed.

In Sweden, the government has decided to extend the temporary COVID-19 restrictions on casino products until 14 November 2021. The industry will once again object to this as it continues to have a negative impact on channelisation in the market.

The Netherlands opened up its gambling market for local licence regulation on 1 April 2021. Kindred is preparing for a Dutch licence application and will be ready to launch a dot.nl operation once the relevant Dutch licence has been awarded.

Kindred continues to focus on its controlled market expansion in the US. Following the award of a direct market access mobile sports betting permit in Virginia in April, Kindred plans to go live on 28 April 2021, taking the Group's US footprint to four states.

Product segment update

2021 is set to be a big year for sporting events, with both the Champions League and Europa League Finals, Euro 2020, and the Olympics taking place in the coming months. Kindred is in a good position to benefit from these events building on this quarter's strong sports betting results.

During the quarter, all major football leagues around Europe and internationally returned and Champions and Europa League schedules returned to normal. There was also a series of World Cup Qualifiers taking place, with strong interest across Kindred's core markets.

In the US, the NBA regular season schedule is now back to normal and proving popular among Kindred's customers. It was the league with the second biggest turnover for the Group for the quarter, just trailing behind the Premier League.

Kindred has also recently soft launched a proprietary product feature allowing customers to watch live sports and bet seamlessly without leaving the stream. This is a unique opportunity to provide customers with an improved interactive experience and a platform to

2021 set to be a big year for sport

NBA second biggest turnover league after the Premier League

allow further innovation in future. The feature will be fully rolled out during the second quarter of 2021 to capitalise on the great sporting calendar ahead.

In horse racing, Kindred's proprietary racing platform which was launched in Sweden at the end of 2020 was improved significantly during the first quarter of 2021 by localising the platform for the Swedish trotting market.

The casino segment has continued to go from strength to strength, even following the previous quarter's solid performance. With the global pandemic meaning increased time at home this has naturally had some impact, but steps to improve the customer experience have also played an important part. The Pragmatic Live Casino partnership has also been taken to the next level, with a new dedicated live casino studio agreed to be delivered between the second and third quarters of this year.

The work on the new Dynamic Live Casino lobby has also now been finalised and is at the final stage of testing. The release is planned for early in the second quarter. This is a significant move for Kindred as it will lead to greater control of the user experience by giving customers the option to select the live casino table that they want to play directly from Kindred's gambling websites.

Sustainability

Kindred published its 2020 Sustainability Report in March, highlighting key achievements relating to its five sustainability priority areas. In the report Kindred has set new commitments for each priority area and reports on relevant data for each.

During the quarter, Kindred also launched its "journey towards zero" initiative, which sets the ambition to have zero revenue from harmful gambling by the end of 2023. Kindred started to report on the KPI in February and will continue to report its share of revenue from harmful gambling each quarter. Since the data was published, Kindred has been invited by policy formers and regulators in several markets to discuss how the ambition can be achieved. More information is available on www.kindredgroup.com/zero.

Kindred has also been working closely with its commercial partners to run projects that support local communities and a commitment has been set for 2021 to ensure increased resources are allocated to sustainability related projects. In Sweden, the partnership with Swedish Elite Football has resulted in all football clubs being educated in sports integrity issues as well as mental health, in France the amateur football partnership "AuCoeurDuFootball" has been renewed, and in Australia the engagement with Gotcha4Life continues.

Kindred has also taken steps to cement its sustainable approach in the US, being the very first US operator to offer inter-state protection to customers in partnership with Gamban.

Kindred's General Manager in the UK and Head of Responsible Gambling and Research both participated in the reformed problem gambler podcast "All Bets are Off" in the UK, explaining how Kindred works to ensure a safe and secure gambling experience.

To mark the focus on diversity, equity and inclusion, Kindred also once again partnered with Women in Tech in Stockholm, promoting the importance of gender equality to Kindred as an employer.

Other information

Financial information

This report is unaudited.

The financial information within this report has been presented in accordance with International Financial Reporting Standards as adopted by the European Union, except where otherwise stated. The accounting policies remain unchanged from the last published Annual Report and Accounts for the year ended 31 December 2020.

Throughout the report where a comparative number is stated in brackets, this relates to the comparative of the period specified.

Employees

The Kindred Group had 1,616 (1,697) employees at 31 March 2021, compared with 1,564 employees at 31 December 2020. The number of consultants amounted to 133 (152) at 31 March 2021.

Principal risks

The Kindred Group manages strategic, operational, financial, compliance and industry specific risks on a Group-wide basis. Further details of the Group's risk management and risks arising from the legal environment can be found on pages 25 to 27 and pages 70 to 71 of the Annual Report and Accounts for the year ended 31 December 2020 available from www.kindredgroup.com.

The Board of Directors and the CEO certify that the interim report gives a fair reflection of the Group's operations, financial position and results of operations, and describes significant risks and uncertainties facing the Group.

Malta, 28 April 2021,

Henrik Tjärnström
CEO

Kindred Group plc

Registered in Malta. Company number C 39017.

Level 6, The Centre, Tigne Point, Sliema, TPO 0001 Malta.

Registered office: c/o Camilleri Preziosi, Level 2, Valletta Buildings, South Street, Valletta, VLT 1103, Malta.

The information in this report is such that Kindred Group plc is required to disclose under the EU Regulation of Market Abuse, MAR.

This document is the English original. In the event of any discrepancy between the original English document and the Swedish translation, the English original shall prevail.

Condensed consolidated income statement

GBP m	2021	Q1 2020	Full year 2020
Continuing operations:			
Gross winnings revenue	352.6	249.7	1,130.2
Betting duties	-72.9	-54.6	-231.0
Marketing revenue share	-15.0	-13.0	-53.6
Other cost of sales	-54.4	-41.4	-180.4
Cost of sales	-142.3	-109.0	-465.0
Gross profit	210.3	140.7	665.2
Marketing costs	-58.9	-52.4	-203.6
Salaries	-28.8	-26.5	-109.7
Other operating expenses	-16.6	-17.5	-63.7
Depreciation of property, plant and equipment	-3.6	-3.7	-15.1
Depreciation of right-of-use assets	-2.7	-2.7	-11.3
Amortisation of intangible assets (excluding assets that arose on acquisition)	-4.9	-6.6	-24.3
Amortisation of intangible assets that arose on acquisition	-0.1	-1.4	-3.0
Accelerated amortisation of intangible assets that arose on acquisition	-	-10.8	-14.7
Total administrative expenses ¹	-56.7	-69.2	-241.8
Underlying profit before items affecting comparability¹	94.7	19.1	219.8
Management incentive costs relating to acquisitions	-0.1	-0.1	-0.4
Personnel restructuring costs	-0.3	-1.9	-4.2
Disputed regulatory sanction	-	-8.0	-8.0
Foreign currency loss on operating items	-8.0	-1.8	-1.4
Profit from operations	86.3	7.3	205.8
Finance costs	-1.4	-1.7	-6.2
Finance income	0.1	0.1	0.4
Foreign currency loss on borrowings	-	-3.5	-8.7
Share of profit from associate	0.3	0.2	1.8
Profit before tax	85.3	2.4	193.1
Income tax expense	-12.7	-1.4	-27.9
Profit after tax	72.6	1.0	165.2
Earnings per share (GBP)	0.32	0.00	0.73
Weighted average number of outstanding shares	227,037,392	226,899,679	227,023,775
Diluted earnings per share (GBP)	0.32	0.00	0.72
Weighted average number of diluted outstanding shares	228,840,641	228,797,794	229,084,006

Condensed consolidated statement of comprehensive income

GBP m	2021	Q1 2020	Full year 2020
Profit after tax	72.6	1.0	165.2
Other comprehensive income			
Currency translation adjustments taken to equity	-4.5	3.4	9.2
Total comprehensive income for the period	68.1	4.4	174.4

¹ Certain line items previously recognised within items affecting comparability have been moved into administrative expenses this quarter, to better reflect the nature of the costs. This has impacted both total administrative expenses and underlying profit before items affecting comparability and the relevant comparatives have been restated accordingly.

Condensed consolidated balance sheet

GBP m	31 Mar 2021	31 Mar 2020	31 Dec 2020
Assets			
Non-current assets			
Goodwill	268.4	272.2	273.9
Other intangible assets	147.7	151.6	148.7
Investment in associate	3.9	2.0	3.6
Property, plant and equipment	24.5	34.1	28.4
Right-of-use assets	54.8	60.1	61.3
Deferred tax assets	28.0	24.2	28.4
Convertible bond	6.5	6.8	6.9
Other non-current assets	2.3	3.3	2.3
	536.1	554.3	553.5
Current assets			
Trade and other receivables	60.6	58.3	46.9
Taxation recoverable	87.1	41.3	91.4
Cash and cash equivalents	364.3	117.1	300.5
	512.0	216.7	438.8
Total assets	1,048.1	771.0	992.3
Equity and liabilities			
Capital and reserves			
Share capital	0.1	0.1	0.1
Share premium	81.5	81.5	81.5
Currency translation reserve	12.7	11.4	17.2
Reorganisation reserve	-42.9	-42.9	-42.9
Retained earnings	416.5	189.4	356.2
Total equity attributable to the owners	467.9	239.5	412.1
Non-current liabilities			
Borrowings	113.1	191.2	118.3
Lease liabilities	44.1	47.6	50.2
Provisions ¹	0.6	0.5	0.6
Deferred tax liabilities	7.1	6.1	5.3
	164.9	245.4	174.4
Current liabilities			
Lease liabilities	11.5	13.2	12.1
Trade and other payables ¹	171.5	134.4	162.1
Provisions ¹	20.1	19.6	21.2
Customer balances	76.3	59.3	77.5
Deferred income	6.1	5.1	5.4
Tax liabilities	129.8	54.5	127.5
	415.3	286.1	405.8
Total liabilities	580.2	531.5	580.2
Total equity and liabilities	1,048.1	771.0	992.3

¹ Provisions have been separated from trade and other payables to be in line with requirements of IFRS. 2020 comparatives have been updated to reflect this change.

Condensed consolidated statement of changes in equity

GBP m	2021	Q1 2020	Full year 2020
Opening balance at beginning of period	412.1	234.0	234.0
Comprehensive income			
Profit for the period	72.6	1.0	165.2
Other comprehensive income:			
Translation adjustment	-4.5	3.4	9.2
	68.1	4.4	174.4
Transactions with owners			
Share awards - value of employee services	-0.1	0.6	0.2
Equity-settled employee benefit plan	0.2	0.5	1.8
Treasury share purchases	-12.4	-	-
Disposal of treasury shares	-	-	1.7
	-12.3	1.1	3.7
Closing balance at end of period	467.9	239.5	412.1

Condensed consolidated cash flow statement

GBP m	Q1 2021	2020	Full year 2020
Operating activities			
Profit from operations	86.3	7.3	205.8
Adjustments for:			
Depreciation of property, plant and equipment	3.6	3.7	15.1
Depreciation of right-of-use assets	2.7	2.7	11.3
Amortisation of intangible assets	5.0	18.8	42.0
Loss on disposal of intangible assets	-	0.2	0.2
Share-based payments	-0.1	0.6	1.9
Equity-settled employee benefit plan	0.2	0.5	1.8
Operating cash flows before movements in working capital	97.7	33.8	278.1
Increase in trade and other receivables	-13.7	-13.7	-1.3
Increase in trade and other payables, including customer balances and provisions	21.0	6.3	51.0
Cash flows from operating activities	105.0	26.4	327.8
Net income taxes paid	-5.4	-2.5	-11.7
Net cash generated from operating activities	99.6	23.9	316.1
Investing activities			
Interest received	-	-	0.4
Purchases of property, plant and equipment	-0.9	-1.1	-5.2
Development and acquisition costs of intangible assets	-6.5	-5.5	-20.7
Net cash used in investing activities	-7.4	-6.6	-25.5
Financing activities			
Interest paid	-0.9	-1.5	-4.9
Interest paid on lease liabilities	-0.4	-0.3	-1.3
Repayment of lease liabilities	-2.8	-2.8	-11.3
Treasury share purchases	-12.4	-	-
Repayment of borrowings	-	-36.7	-115.1
Net cash used in financing activities	-16.5	-41.3	-132.6
Net increase/(decrease) in cash and cash equivalents	75.7	-24.0	158.0
Cash and cash equivalents at beginning of period	300.5	137.8	137.8
Effect of foreign exchange rate changes	-11.9	3.3	4.7
Cash and cash equivalents at end of period	364.3	117.1	300.5

Appendix

Alternative performance measures

The Group presents these alternative performance measures because they provide owners and investors with additional information about the performance of the business which the Directors consider to be valuable. Alternative performance measures reported by the Group are not defined terms under IFRS and may therefore not be comparable with similarly-titled measures reported by other companies.

The below tables reconcile the Group's alternative performance measures relating to the condensed consolidated income statement and the condensed consolidated balance sheet to the most directly comparable measures reported in accordance with IFRS. Refer to page 12 for a corresponding reconciliation of free cash flow.

Condensed consolidated income statement measures

GBP m	Q1 2021	2020	Full year 2020
Profit from operations	86.3	7.3	205.8
Depreciation of property, plant and equipment	3.6	3.7	15.1
Depreciation of right-of-use assets	2.7	2.7	11.3
Amortisation of intangible assets	5.0	18.8	42.0
EBITDA	97.6	32.5	274.2
Management incentive costs relating to acquisitions	0.1	0.1	0.4
Personnel restructuring costs	0.3	1.9	4.2
Disputed regulatory sanction	-	8.0	8.0
Underlying EBITDA	98.0	42.5	286.8
Gross winnings revenue	352.6	249.7	1,130.2
EBITDA margin	28%	13%	24%

Condensed consolidated balance sheet measures

GBP m	31 Mar 2021	31 Mar 2020	31 Dec 2020
Cash and cash equivalents	364.3	117.1	300.5
Customer balances	-76.3	-59.3	-77.5
Unrestricted cash	288.0	57.8	223.0
Less: Borrowings	-113.1	-191.2	-118.3
Net cash/(net debt)	174.9	-133.4	104.7

Key ratios

	2021	Q1 2020	Full year 2020
Operating margin (%)	24%	3%	18%
Return on total assets (%)	14%	0%	18%
Return on average equity, annualised (%)	78%	12%	64%
Equity:assets ratio (%)	45%	31%	42%
EBITDA margin (%)	28%	13%	24%
Unrestricted cash / EBITDA, rolling 12-month basis	0.85	0.45	0.81
Net cash/(net debt) / EBITDA, rolling 12-month basis	0.52	-1.03	0.38
Employees at period end	1,616	1,697	1,564
Gross cash per share (GBP)	1.58	0.51	1.31
Net cash/(net debt) per share (GBP)	0.76	-0.58	0.45
Operating cash flow before movements in working capital per share (GBP)	0.43	0.15	1.22
Cash conversion (%)	92%	52%	93%
Earnings per share (GBP)	0.32	0.00	0.73
Diluted earnings per share (GBP)	0.32	0.00	0.72
Number of shares at period end ¹	230,126,200	230,126,200	230,126,200
Diluted number of shares at period end	231,014,280	231,961,497	232,089,717
Weighted average number of outstanding shares	227,037,392	226,899,679	227,023,775
Weighted average number of diluted outstanding shares	228,840,641	228,797,794	229,084,006

¹ As at 31 March 2021 the total issued shares were 230,126,200. Of these, 2,813,959 shares are held by the Group as a result of previous repurchase programmes. The intention of the Board is either to cancel these shares (requires further shareholder approval), use them as consideration for an acquisition, or issue them to employees in connection with the Group's employee share schemes.

FX rates

Balance sheet rates: Rate to GBP	31 Mar 2021	31 Mar 2020	YoY Delta
AUD	1.809	2.027	12.1%
DKK	8.728	8.424	-3.5%
EUR	1.174	1.128	-3.9%
NOK	11.731	12.985	10.7%
SEK	12.016	12.478	3.8%
USD	1.376	1.236	-10.2%

Income statement averages for the quarter:

Rate to GBP	Avg Q1 21	Avg Q1 20	YoY Delta
AUD	1.785	1.945	9.0%
DKK	8.509	8.675	2.0%
EUR	1.144	1.161	1.5%
NOK	11.738	12.117	3.2%
SEK	11.577	12.377	6.9%
USD	1.379	1.238	-10.2%

Non-Statutory Analysis of Gross Winnings Revenue

These tables are for information only and do not form part of the condensed consolidated financial statements.

Gross winnings revenue by region (based on country of residence of customer)

SPORTS BETTING BY REGION	2021		2020		2020	
	Q1	Q4	Q3	Q2	Q1	FY
Gross winnings revenue (GBP m)						
Nordics	28.1	33.0	24.4	13.9	24.5	95.8
Western Europe	114.2	122.6	80.3	43.1	84.1	330.1
Central, Eastern and Southern Europe	11.0	13.1	10.2	5.7	10.1	39.1
Other	6.4	8.5	6.0	4.8	3.8	23.1
Total	159.7	177.2	120.9	67.5	122.5	488.1

Quarterly Year-on-Year & Year-on-Year growth (%)

Nordics	15%	53%	10%	-42%	28%	10%
Western Europe	36%	63%	8%	-42%	11%	10%
Central, Eastern and Southern Europe	9%	34%	2%	-35%	22%	6%
Other	68%	98%	122%	153%	23%	93%
Total	30%	60%	11%	-38%	15%	12%

OTHER PRODUCTS - CASINO, POKER & OTHER GAMES BY REGION	2021		2020		2020	
	Q1	Q4	Q3	Q2	Q1	FY
Gross winnings revenue (GBP m)						
Nordics	39.7	42.3	41.6	45.8	42.7	172.4
Western Europe	126.7	115.7	93.0	97.8	68.8	375.3
Central, Eastern and Southern Europe	18.0	20.2	15.2	15.6	11.7	62.7
Other	8.5	9.3	10.0	8.4	4.0	31.7
Total	192.9	187.5	159.8	167.6	127.2	642.1

Quarterly Year-on-Year & Year-on-Year growth (%)

Nordics	-7%	2%	-6%	6%	0%	0%
Western Europe	84%	65%	54%	59%	9%	47%
Central, Eastern and Southern Europe	54%	73%	52%	50%	17%	49%
Other	113%	288%	456%	367%	135%	312%
Total	52%	49%	37%	43%	8%	35%

TOTAL BY REGION	2021		2020		2020	
	Q1	Q4	Q3	Q2	Q1	FY
Gross winnings revenue (GBP m)						
Nordics	67.8	75.3	66.0	59.7	67.2	268.2
Western Europe	240.9	238.3	173.3	140.9	152.9	705.4
Central, Eastern and Southern Europe	29.0	33.3	25.4	21.3	21.8	101.8
Other	14.9	17.8	16.0	13.2	7.8	54.8
Total	352.6	364.7	280.7	235.1	249.7	1,130.2

Share of total (%)

Nordics	19%	21%	23%	25%	27%	24%
Western Europe	69%	65%	62%	60%	61%	62%
Central, Eastern and Southern Europe	8%	9%	9%	9%	9%	9%
Other	4%	5%	6%	6%	3%	5%

Quarterly Year-on-Year & Year-on-Year growth (%)

Nordics	1%	20%	-1%	-11%	9%	4%
Western Europe	58%	64%	28%	4%	10%	27%
Central, Eastern and Southern Europe	33%	55%	27%	11%	19%	29%
Other	91%	166%	256%	257%	63%	178%
Total	41%	54%	24%	4%	11%	24%

Non-Statutory Analysis of Gross Winnings Revenue

These tables are for information only and do not form part of the condensed consolidated financial statements.

Gross winnings revenue by product

TOTAL BY PRODUCT	2021	2020				2020
	Q1	Q4	Q3	Q2	Q1	FY
Gross winnings revenue (GBP m)						
Sports betting	159.7	177.2	120.9	67.5	122.5	488.1
Casino & games	175.9	170.7	145.0	150.4	112.9	579.0
Poker	9.2	8.9	6.8	9.7	7.5	32.9
Other	7.8	7.9	8.0	7.5	6.8	30.2
Total	352.6	364.7	280.7	235.1	249.7	1,130.2
Share of total (%)						
Sports betting	45%	49%	43%	29%	49%	43%
Casino & games	50%	47%	52%	64%	45%	51%
Poker	3%	2%	2%	4%	3%	3%
Other	2%	2%	3%	3%	3%	3%
Quarterly Year-on-Year & Year-on-Year growth (%)						
Sports betting	30%	60%	11%	-38%	15%	12%
Casino & games	56%	52%	38%	42%	6%	35%
Poker	23%	53%	31%	111%	32%	54%
Other	15%	7%	19%	6%	24%	13%

Sports betting margins

	2021	2020				2020
	Q1	Q4	Q3	Q2	Q1	FY
Sports betting stakes (GBP m)	1,707	1,771	1,476	780	1,143	5,171
Sports betting Gross winnings revenue:						
Live betting (GBP m)	79.1	89.7	71.2	33.5	58.6	253.0
Live betting margin (%)	9.1%	9.7%	9.1%	7.3%	8.9%	8.9%
Live betting share (%)	42.8%	44.3%	50.2%	43.3%	42.2%	45.1%
Pre-game betting (GBP m)	105.8	112.7	70.5	43.8	80.4	307.4
Pre-game betting margin (%)	12.7%	13.4%	10.1%	13.7%	16.6%	13.1%
Pre-game betting share (%)	57.2%	55.7%	49.8%	56.7%	57.8%	54.9%
Total before free bets (GBP m)	184.9	202.4	141.7	77.3	139.0	560.4
Sports betting margin - before free bets (%)	10.8%	11.4%	9.6%	9.9%	12.2%	10.8%
Free bets (GBP m)	-25.2	-25.2	-20.8	-9.8	-16.5	-72.3
Total after free bets (GBP m)	159.7	177.2	120.9	67.5	122.5	488.1
Sports betting margin - after free bets (%)	9.4%	10.0%	8.2%	8.7%	10.7%	9.4%

Total margin across all products

	2021	2020				2020
	Q1	Q4	Q3	Q2	Q1	FY
Total margin all products - before free bets (%) ¹	4.8%	5.2%	4.7%	4.2%	5.3%	4.9%

¹ Includes sports betting and casino & games but excludes poker rakes and other revenues

Definitions

Average revenue per user: Gross winnings revenue divided by the number of active customers in the period.

Cash conversion: Free cash flow divided by underlying EBITDA.

EBITDA: Profit from operations before depreciation and amortisation.

Gross cash per share: Total cash divided by the number of shares at the period end.

Long-term average sports betting margin: Average sports betting margin, after free bets, over the latest twelve reported quarters.

Net cash/(net debt): Total borrowings less unrestricted cash.

Net cash/(net debt) per share: Total borrowings less unrestricted cash divided by the number of shares at the period end.

Operating margin: Profit from operations divided by Gross winnings revenue.

Return on average equity (annualised): Profit from operations divided by the average of opening and closing equity for the period.

Return on total assets: Profit after tax divided by the average of opening and closing assets for the period.

Underlying EBITDA: EBITDA before management incentive costs relating to acquisitions, personnel restructuring costs and disputed regulatory sanction.

Unrestricted cash: Total cash at period end less customer balances.

Presentation of the interim report

Today, Wednesday 28 April 2021, Kindred Group's CEO Henrik Tjärnström will host a web presentation in English at 09.00 (CEST) which will be web casted live on www.kindredgroup.com/Q12021. For those who would like to participate in the telephone conference in connection with the presentation, the telephone numbers are:

- Sweden: +46 8 5055 8356
- UK: +44 33 3300 9273
- USA: +1 833 5268 347

Contact details

Patrick Kortman, Head of Corporate Development & Investor Relations
+46 723 877 438
IR@kindredgroup.com

Forthcoming financial reporting timetable

Interim report January – June 2021	23 July 2021
Interim report January – September 2021	27 October 2021
Full year report 2021	9 February 2022