

Kambi Group plc

Q4 Report 2024

Financial highlights

- Revenue amounted to €44.5 (Q4 2023: 44.3) million for the fourth quarter of 2024 and €176.4 (2023: 173.3) million for the period January to December of 2024
- EBITA (acq) for the fourth quarter of 2024 was €7.1 (8.5) million, at a margin of 16.0% (19.2%), and €25.3 (25.2) million, at a margin of 14.3% (14.6%), for the period January to December of 2024
- Operating profit (EBIT) for the fourth quarter of 2024 was €5.9 (7.2) million, at a margin of 13.3% (16.1%), and €20.1 (20.0) million, at a margin of 11.4% (11.5%), for the period January to December of 2024
- Total expenses for the fourth quarter of 2024 were €38.5 (37.1) million, and €156.3 (153.3) million for the period January to December of 2024
- Cash flow (excluding working capital and M&A) amounted to €6.7 (5.5) million for the fourth quarter of 2024 and €25.9 (15.0) million for the period January to December of 2024
- Earnings per share for the fourth quarter of 2024 were €0.170 (0.182) and €0.515 (0.488) for the period January to December of 2024
- Kambi estimates EBITA (acq) to be €20-25 million for 2025 (see page 6)

Key highlights

- Signed landmark Odds Feed+ partnership with leading US operator Hard Rock Digital and launched in multiple US states
- Launched on day one in recently regulated Brazil and now live with multiple partners including new partner Stake, as well as BetMGM, BetWarrior, KTO and Rei do Pitaco
- Entered contract novation agreement to assume FDJ Group's sportsbook partnership responsibilities to Ontario Lottery and Gaming Corporation
- Secured licensing approval to provide B2B sports betting products and services in Nevada, showcasing Kambi's ability to meet the highest standards of regulatory compliance
- Long-term operator trading margin expectation raised to 9.5 – 11.0% (see page 3), driven by increased engagement with higher-margin products and Kambi's AI-powered trading capabilities

Financial summary

€m	Q4 2024	Q4 2023	Change %	Jan-Dec 2024	Jan-Dec 2023	Change %
Revenue	44.5	44.3		176.4	173.3	2%
EBITDA	16.0	17.0	-6%	59.7	56.6	5%
EBITA (acq)	7.1	8.5	-16%	25.3	25.2	0%
EBITA (acq) margin	16.0%	19.2%		14.3%	14.6%	
Operating profit (EBIT)	5.9	7.2	-17%	20.1	20.0	0%
Operating (EBIT) margin	13.3%	16.1%		11.4%	11.5%	
Items affecting comparability	-1.4	0.3		-1.4	0.3	
Profit after tax	5.1	5.5	-8%	15.4	14.9	4%
Cash flow (excluding working capital and M&A)	6.7	5.5	23%	25.9	15.0	73%
Cash and cash equivalents	61.3	50.5		61.3	50.5	
Earnings per share	€0.170	€0.182	-7%	€0.515	€0.488	6%
Fully diluted earnings per share	€0.170	€0.181	-6%	€0.515	€0.486	6%

CEO comment

“The final quarter of 2024 was marked by significant achievements for Kambi. We concluded the year with new partner agreements across the majority of our product portfolio, initiated actions to address our cost base and delivered robust Q4 2024 financial results.

Revenue for the quarter reached €44.5 million, bringing full year 2024 revenue to €176.4 million, a slight increase on the previous year. Our Q4 performance was bolstered by a 10.1% operator trading margin, which has been consistently strong in recent quarters. This is driven by increased engagement with higher-margin products and our growing ability to efficiently trade these complex products through our proprietary AI technology. As such, we are raising our long-term trading margin expectation to 9.5-11.0% (see page 3).

We continue to work towards diversifying our revenue streams, as reflected by various partner signings and launches in recent months. On 1 January, we went live in Brazil with KTO, signed in Q3 2024, as well as Stake, signed just last month. Both KTO and Stake are utilising Kambi’s Turnkey Sportsbook in Brazil, along with BetWarrior and LeoVegas, the latter launching its BetMGM brand as part of a joint venture with Brazilian media company Grupo Globo.

Our Odds Feed+ product has also seen early success, currently integrated with Rei do Pitaco in Brazil and Hard Rock Digital in various US states. Launched in September, Odds Feed+ has received positive feedback from partners and generated significant interest from large operators using their own sportsbook technology. I believe Odds Feed+ will eventually become the go-to odds feed product for major operators around the world. Elsewhere, we have seen Esports go from strength to strength with a number of partnerships, including Kindred Group and Svenska Spel, while we also secured a Front End partnership through Shape Games with Choctaw Nation of Oklahoma.

Furthermore, we recently entered a contract novation process to assume FDJ Group’s responsibilities for the provision of an online and retail sportsbook to Ontario Lottery and Gaming Corporation (OLG), subject to conditions. While there remains some work to do to get this over the line, I have no reason to doubt we will soon be celebrating a great partner signing. OLG has a fantastic reputation in the Canadian province of Ontario where, until recently, it held the monopoly for sports betting. OLG has a large existing retail business with an exciting growth opportunity in its online business where OLG has faced increased competition since re-regulation in 2022. I believe with a sportsbook of Kambi’s quality, combined with OLG’s local market knowledge and reputation, OLG can grow its online market share.

These new signings, in combination with those launched during 2024, will provide a tailwind for driving revenue in the year ahead, including full-year contributions from LiveScore and Svenska Spel for the first time and growth in the Brazilian market. I’m also confident we will continue to build a more diverse portfolio of partners across our product suite, further improving revenue as well as reducing the impact of inevitable customer churn.

However, this year won’t be without significant challenges, with 2025 presenting a particular set of headwinds, which we expect to ease going forward. These include certain partners, particularly Kindred and LeoVegas, migrating away from our Turnkey Sportsbook, as well as rising taxes such as the recently proposed temporary VAT in Colombia. As previously announced, we are actively taking action to manage costs (see page 6) and are continuing to diversify our revenue streams through product expansion. The financial guidance we have provided today reflects this, with EBITA (acq) in the range of €20m-25m for 2025.

Looking further ahead, the strategic initiatives we have undertaken – advancing AI innovation, expanding our product portfolio and initiating a cost efficiency programme – along with our various partner signings, provide a solid platform for the future. The foundations we are building today will enable us to emerge stronger, more agile and well-positioned for long-term growth.”

Q4 highlights

Trading update

In Q4 2024, Kambi's Operator Turnover Index reached 778, a 13% sequential increase. Despite some player-friendly results in American football, operator trading margin was 10.1%, primarily driven by favourable soccer results and the positive effects of automated trading (see below).

One of the key strengths of Kambi's global network is its diversified risk profile, meaning it is not overly dependent on the results of any single league. Even in soccer, the sport with the highest turnover across the network, Kambi's risk is distributed across various countries and leagues. While increased engagement with higher margin products naturally creates greater margin variance, Kambi's diverse geographic footprint reduces this impact, in contrast to the more volatile margins sometimes observed by operators with a narrower regional focus.

Operator trading margin expectation

In recent years, player preferences have increasingly shifted toward multi-leg Bet Builder-style products and player-based markets, introducing new complexities for operators and suppliers. Managing pricing, trading and risk has become much more challenging, particularly as these markets are often offered simultaneously and feature interrelated contingencies that make calculations and market comparisons more difficult.

While this shift has driven an increase in theoretical trading margin, the challenge of accurately managing these products at scale has meant actual trading margin has not risen at the same rate. However, Kambi's AI-driven trading division, Tzeract, is delivering positive results. The ongoing development of an integrated and coherent system, one fully automated to manage pricing, trading and risk management for the complete sportsbook vertical, is enabling Kambi to succeed in driving margin.

Powered by vast amounts of real-time betting information — millions of bets placed daily — Kambi is among just a small group of companies with the scale of betting data required to begin to address these challenges effectively. By leveraging this data and its proprietary AI technology, Kambi can continuously adjust to market conditions, ensuring more accurate and efficient trading. Kambi recently completed the roll out of its AI trading to pre-match soccer, gradually enabling it to reduce the gap between expected and actual margin and is currently in the early stages of extending this to live soccer.

With Kambi's automated pricing and trading currently driving approximately 30% of operator gross gaming revenue, in addition to the consistently higher margins recorded over consecutive quarters, Kambi is raising its long-term operator trading margin expectation from 8.0 – 9.0% to 9.5 – 11.0%. The 0.5% increase in the spread reflects an increase in margin variance resulting from greater engagement with higher margin products.

Commercial updates

Kambi's secured several partnerships across its product portfolio in the quarter. Kambi signed two Turnkey Sportsbook partnerships in Q4, as US tribal operator Wind Creek Hospitality and US operator VIP Play Inc. joined the network.

Kambi also signed a landmark Odds Feed+ agreement with Hard Rock Digital in Q4. The multi-year partnership grants one of the leading sports betting operators in the US with access to Kambi's full library of high-quality odds, with the ability to revise their odds package on demand. Furthermore, Kambi secured a long-term Odds Feed+ agreement with Brazilian daily fantasy sports operator Rei do Pitaco, replacing its previous Turnkey partnership set to expire in 2025.

In October, Kambi, via its division Shape Games, signed a Front End partnership with Choctaw Nation of Oklahoma (“Choctaw Nation”), one of the largest Indian Nations in the United States. Meanwhile, Kambi’s esports division Abios agreed a partnership with Svenska Spel to provide the leading Swedish operator with its full esoccer offering, including its comprehensive range of odds, streams and widgets. With Choctaw Nation and Svenska Spel, both existing Kambi Turnkey Sportsbook partners, these agreements underline the potential to upsell complementary products across the Kambi network.

For a full list of partner signings and extensions during and after the quarter, see page 26.

Partner launches

Kambi completed a total of 10 partner launches during the quarter, including five launches for Bally’s Corporation. Bally’s launched online in the US in New Jersey and Tennessee, online in the Canadian province of Ontario and online in Ireland for both its Bally Casino and Jackpotjoy brands.

Elsewhere, Kambi launched online with BetMGM and Paf in Sweden, LeoVegas in Germany, Nexus in Peru and SunBet in Botswana.

For a list of partner launches during and after the quarter, see page 27.

Share buybacks

On 6 November, Kambi initiated a new share buyback programme to further utilise the buyback mandate which was received at the Extraordinary General Meeting on 20 June 2024. The objective of the buyback programme is to achieve added value for Kambi’s shareholders and to give the Board increased flexibility with Kambi’s capital structure by reducing the capital. The buyback programme will run until the 2025 AGM, up to a total of €12 million. During Q4 2024, Kambi repurchased 364,000 shares for a total of €3.3 million.

Share cancellation

On 26 November, Kambi completed the cancellation of 1,374,678 ordinary shares. The shares were acquired as part of previous share buyback programmes and the cancellation of the shares is in line with the intention to improve Kambi’s capital position. The cancellation was approved by the shareholders during the Extraordinary General Meeting of Kambi on 18 November 2024.

Following the cancellation, Kambi’s issued share capital now amounts to €89,711 and the total number of issued shares in Kambi is 29,903,619 ordinary shares with a nominal value of €0.003 per share.

Extraordinary General Meetings

Kambi conducted two Extraordinary General Meetings during the quarter. At these meetings, shareholders voted in favour of the following resolutions:

- To cancel the 1,374,678 ordinary shares that the Company held in treasury
- To authorise a number of amendments to the Company’s Memorandum and Articles of Association

For more information on the resolutions passed at these meetings, please visit the Kambi website at <https://www.kambi.com/investors/general-meeting/>.

Full year summary

While 2024 was a transitional year for Kambi, it was also a transformative one that built the foundations for growth, highlighted by the introduction of an expanded product suite, propelling Kambi to become the home of premium sports betting solutions. Kambi's enhanced product portfolio leverages its flagship Turnkey Sportsbook to deliver revenue-driving standalone services such as Odds Feed+, Managed Trading, Bet Builder, Esports, Front End and Sportsbook Platform. During the year, Kambi strengthened this product suite by signing Hard Rock Digital and Rei do Pitaco to Odds Feed+ services and kwiff to Bet Builder services.

Kambi also added several partners to its Turnkey Sportsbook product including KTO Group, Choctaw Nation, VIP Play Inc. and Week Creek Hospitality. Additionally, Kambi renewed key partners in Rush Street Interactive and Sun International, as well as Penn Entertainment for its retail sportsbook network.

Despite various headwinds such as the impact of Penn's online migration, new gaming taxes, the introduction of deposit limits in the Netherlands and Kindred's exit of various markets, Kambi's revenue grew 2% year-on-year to €176.4 million. This growth came from new partners such as LiveScore and Svenska Spel, underlying growth of key existing partners, 40+ Turnkey Sportsbook launches throughout the world and an improved operator trading margin.

Operationally, Kambi's AI-powered trading division made significant strides in 2024, most notably with its move to a new platform, delivering an expansion in popular player props markets as well as enhanced combinability. Kambi's AI investment is increasingly bearing fruit, with operators benefitting from more accurate pricing and realising higher sportsbook margin. Due to the trajectory of sportsbook margin, Kambi is now raising its long-term operator trading margin expectation to 9.5 – 11.0%.

On the Esports front, Kambi-owned Abios saw its esoccer product continue its upward trajectory, quickly becoming one of the highest turnover generators on the Kambi network. In October, Abios launched its ebasketball product suite, providing a digital counterpart to NBA and other major basketball leagues.

On 25 July, Werner Becher took the role of CEO, bringing extensive experience and deep industry knowledge to lead Kambi's next phase of growth. On joining Kambi, Becher has been focused on building upon the Company's success and its position as the industry's leading sports betting partner, as well as evaluating the Company's cost base and identifying areas of cost efficiencies.

Kambi's strong customer base and operational excellence led to modest growth in 2024, despite significant headwinds. Going forward, Kambi's expanded product suite, technological prowess and experience in regulated markets will propel the Company to diversify its revenues and solidify its position as the sportsbook supplier of choice.

2025 outlook

Kambi estimates EBITA (acq) for 2025 to be €20-25 million.

EBITA (acq) is a metric that excludes the amortisation on acquired intangibles from the Operating profit (EBIT) to show the underlying performance of the company excluding non-cash acquisition-related entries.

Revenue tailwinds include organic growth in the operator network, notably full year revenue contributions from LiveScore and Svenska Spel. In addition, revenue will also benefit from partner launches and signings across Kambi's product portfolio throughout the year, as seen most recently through KTO and Stake in Brazil, Hard Rock Digital in the US, and the expected partnership with Ontario Lottery and Gaming Corporation.

Compared to 2024, Kambi revenue in 2025 will be impacted by a number of headwinds. These include those more non-recurring in nature, primarily the end of transition fees received during 2024 as well as the proposed temporary VAT on deposits in Colombia. Due to our market-leading position in Colombia, we estimate the levy will negatively impact revenue, and therefore also EBITA (acq), by €3-5 million. Headwinds also include the ongoing migration of certain partners away from the Kambi Turnkey sportsbook service and the increase in gaming taxes in Sweden, the Netherlands and various US states.

An efficiency programme has also been undertaken to realise cost synergies and operational efficiencies across the business, which will result in a year-on-year decrease in total expenses. The expenses used to calculate EBITA (acq) are expected to be in the range of €145 – 150 million for 2025 (2024: 151.1 million); they exclude approximately €5 million of amortisation on acquired intangibles (2024: €5.2 million), and therefore total expenses are expected to be in the range of €150 – €155 million for the full year 2025, which is a decrease from €156.3 million in 2024.

Included in total expenses are data supplier costs, which are expected to increase by about €2 million in 2025. However, 100% of these costs are passed to partners so they are EBITA (acq) neutral.

The ongoing efficiency initiative already includes the reduction of approximately 65 employee and consultant roles and material savings in infrastructure and software licensing. Kambi remains committed to actively managing costs while strategically investing in key areas to maintain a premium product, ensuring long-term quality for both existing and future operators and securing future revenue streams.

Events after Q4

Kambi launches in Brazil, signs new Brazil-facing partner

On 1 January 2025, Brazil launched its much-anticipated regulated online sports betting market. On the same day, Kambi launched with Turnkey Sportsbook partners KTO and Stake. Kambi has signed a Turnkey Sportsbook agreement with Stake for selected regulated markets, with the first launch occurring in Brazil. One of the world's largest operators, Stake aims to build its regulated, real-money business and chose Kambi as its supplier for this endeavour due to its history of driving growth for operators in regulated markets around the world.

Later in January, Turnkey Sportsbook partners BetMGM, powered by LeoVegas, and BetWarrior also launched in Brazil, as well as Odds Feed+ partner Rei do Pitaco.

Partner launches

In addition to its launches in Brazil, Kambi supported several Turnkey Sportsbook launches after quarter end. In the United States, this included the on-property launch of BetRivers in Washington via a partnership with the Swinomish Casino & Lodge, operated by the Swinomish Indian Tribal Community. Elsewhere in the Americas, BetPlay launched online in Paraguay.

In Europe, Bally's further expanded its footprint with the launch of its Monopoly Casino brand in the UK and Ireland, and LiveScore launched online in Bulgaria, its first new market launch since upgrading to Kambi.

Commercial updates

Kambi recently signed a novation agreement providing for FDJ Group (FDJ) to assign and Kambi to assume FDJ's contract with Ontario Lottery and Gaming Corporation (OLG), enabling Kambi to replace FDJ as OLG's long-term sports betting partner, with OLG's consent, pending certain conditions. To complete the assignment of the contract, which runs until 2032, conditions must first be satisfied by Kambi, requiring certain product development work which, as a non-recurring item affecting comparability, does not form part of Kambi's full-year 2025 operating expenditure outlook.

OLG is the Ontario government agency that conducts and manages gaming facilities and charitable gaming, the sale of province-wide lottery games and offers online sports betting and gaming. OLG's existing sportsbook revenue is derived from its operation of approximately 10,000 retail outlets and an online sportsbook under the PROLINE brand.

Kambi believes the combination of OLG's local market knowledge, its strong brand reputation and Kambi's high quality sportsbook will enable the operator to further develop its market position. The parties aim to have the novation agreement conditions satisfied as soon as possible, with an expectation that the multi-channel migration to Kambi will be completed in H2 2025.

In January, Kambi signed a Turnkey Sportsbook partnership with Soft2Bet, a B2B and B2C gaming company. Soft2Bet operates a variety of gaming brands in Europe and now plans to expand into the US, with New Jersey set to be its first state. Soft2Bet will launch online sports betting and iCasino in New Jersey, having selected Kambi's Turnkey Sportsbook over its incumbent sportsbook supplier.

In February, Kambi's esports division Abios signed a multi-year partnership with Kindred Group to provide its full esports betting solutions to the operator's in-house sportsbook. The new agreement, which is in addition to the Esports odds service Abios currently provides as part of Kambi's Turnkey Sportsbook service, will see Abios deliver a full suite of esports products, including odds via Kambi's Odds Feed+ API.

Kambi also signed a multi-year partnership extension with BetCity, a leading operator in the Netherlands and owned by Entain since 2022. Under the extended agreement, Kambi will continue supplying BetCity with its industry-leading online Turnkey Sportsbook, while BetCity will also leverage native app technology from Shape Games, Kambi Group's Front End division.

Nevada licensing

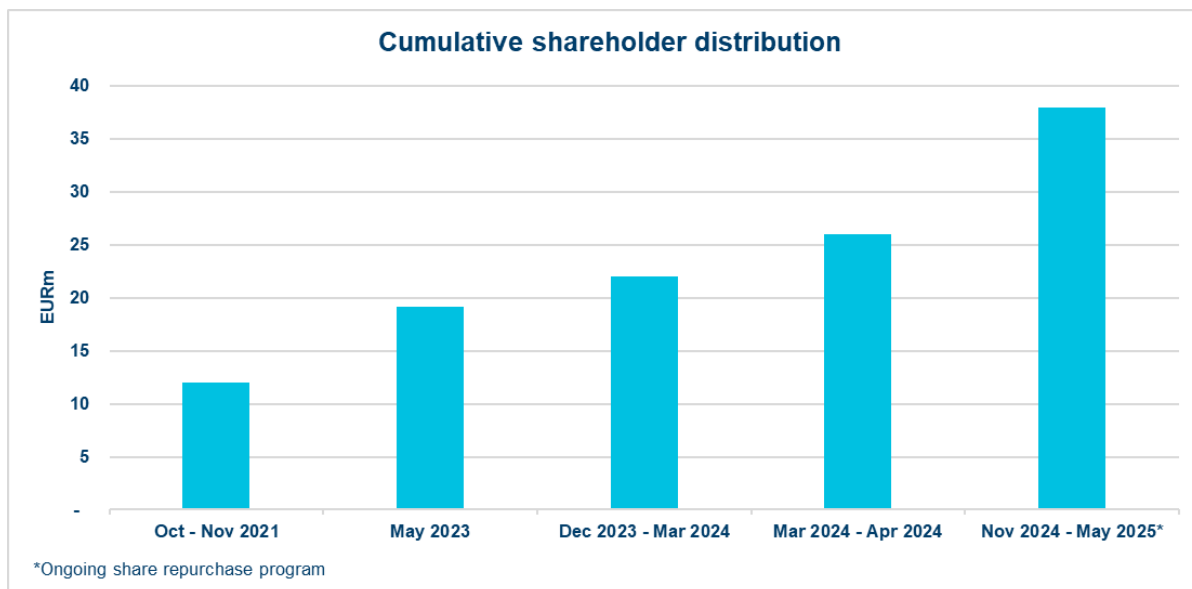
On 30 January, Kambi received approval for its Nevada gaming licence applications. The Nevada Gaming Commission approved Kambi's application for Manufacturer & Distributor Licenses and an Information Services License, following a unanimous recommendation by the Nevada Gaming Control Board earlier in the month. The licences will enable Kambi to provide its industry-leading sportsbook technology and services to nonrestricted gaming establishments in Las Vegas and across the state of Nevada for the first time. Nevada is widely considered the 'gold standard' for sports betting regulation, with these licences further evidence of Kambi's excellence in the areas of regulation, compliance and corporate probity.

Super Bowl

Kambi enjoyed a successful Super Bowl, delivering a high-quality and uninterrupted service to its partners with in excess of 1,200 different bet offers, not including the almost endless opportunities provided by Kambi's Bet Builder product. The Philadelphia Eagles win along with other outcomes were also favourable, resulting in one of Kambi's highest operator trading margins for a Super Bowl in recent years.

Shareholder distributions

In May 2024, Kambi announced a long-term capital allocation strategy to return capital to shareholders through share buybacks while preserving sufficient capital for the Company's operational requirements. A summary of Kambi's share buyback programmes is presented below, with full details on page 28, to show the total value returned to shareholders over time, which is expected to be an accumulated €38.0 million by the time of the completion of the current share buyback programme.



Of the programme announced on 6 November 2024, 742,500 shares have been repurchased through 25 February 2025 at a total of €7.3 million, therefore leaving €4.7 million remaining to be completed up until 20 May 2025.

Regulatory update

Below, we provide the most relevant regulatory updates on markets which may have a significant impact on our operations and total addressable market.

Americas

Alberta, Canada (population: 5 million)

An Alberta government minister announced in early October that legislation governing the province's private online gaming model is planned to be introduced in the Spring of 2025.

Missouri, United States (population: 6 million)

Missouri legalised sports betting in 2024 after voters approved an amendment on 5 November. The law allows six in-state professional sports teams and casinos to operate both land-based and mobile sportsbooks, with two untethered mobile licences also available. The tax rate will be 10% of adjusted gross revenue. The legislation sets a launch deadline of 1 December 2025, but the regulator is aiming for a launch in time for the 2025 NFL season.

Rest of world

Thailand (population: 72 million)

Thailand's government is set to formally assess the legalisation of online gambling in Q1 2025, a move supported by senior officials citing potential economic and social benefits. The proposal, backed by the Deputy Prime Minister, aims to address widespread illegal online gambling and associated crimes. Plans include amending anti-gambling laws, forming a national committee to centralise enforcement, and exploring liberalisation as part of a broader strategy against underground networks.

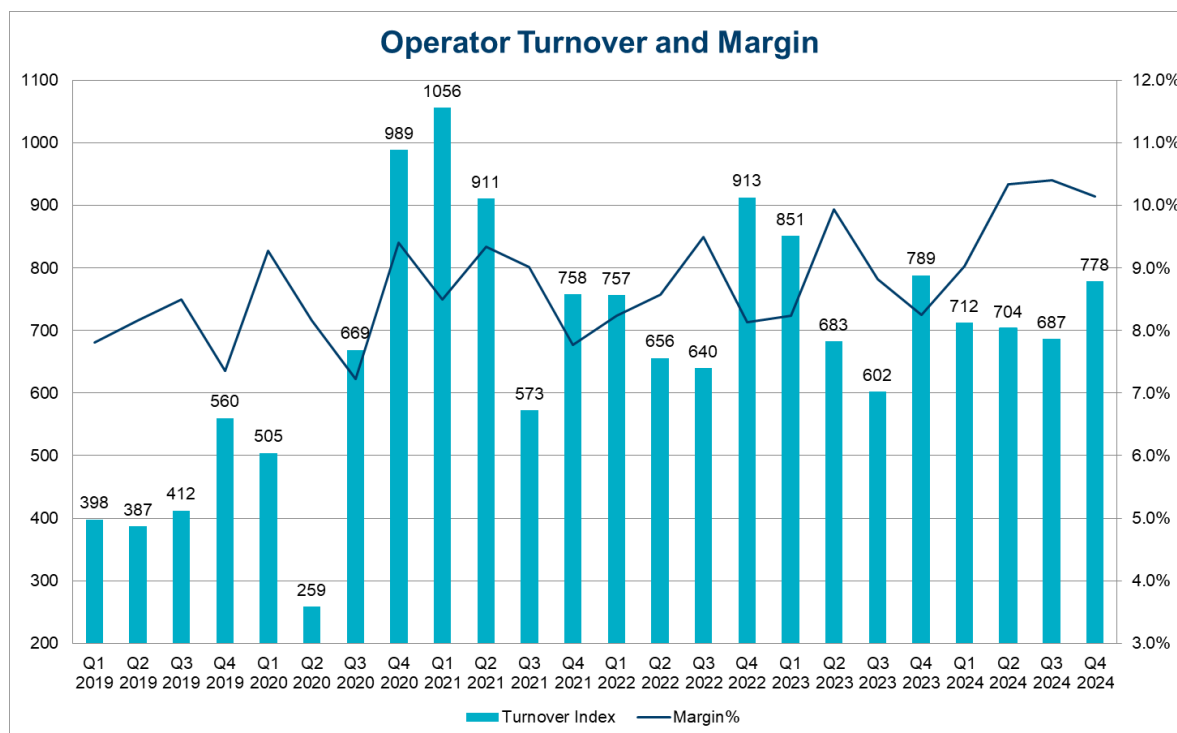
Financial review and outlook

Revenue

Definitions of financial terms and performance measures are presented on page 20.

In Q4, revenue was €44.5 (44.3) million, primarily generated from Turnkey Sportsbook.

The graph below shows the Kambi Turnover Index for Turnkey Sportsbook, which drives the vast majority of Kambi revenue, since Q1 2019 and also illustrates Kambi's operators' quarterly trading margin.



Operator turnover for the fourth quarter of 2024 was 778, representing a decrease of 1% from Q4 2023. This year-on-year decrease was largely driven by the introduction of deposit limits in the Netherlands and Kindred's exit of various markets, offset by new partner launches including LiveScore and Svenska Spel. The operator trading margin for Q4 was 10.1% (8.3%), driven by favourable results in European soccer, particularly in the English Premier League and Champions League, as well as increased engagement with higher-margin products and Kambi's ability to trade these complex products through AI. The financial benefit of the higher margin versus Q4 2023 was offset by the new commercial terms of certain renewed contracts which came into effect in 2024, as previously communicated.

98% (94%) of sportsbook revenue was derived from locally regulated markets in Q4 2024.

Operator trading margin for the last 12 months was 10.0%.

Geographical analysis

In Q4 2024, Americas contributed 47% (54%), Europe 49% (43%) and Rest of the World 4% (3%) of sportsbook GGR, evidencing Kambi's healthy geographical diversification. For the full year 2024,

Americas contributed 49% (53%), Europe 47% (44%) and Rest of the World 4% (3%) of sportsbook GGR.

Total expenses

Total expenses for the fourth quarter of 2024 were €38.5 (37.1) million, and €156.3 (153.3) million for the full year of 2024. Total expenses include a foreign exchange gain of €0.8 (0.6 loss) million during the quarter and a loss of €0.1 (€2.2) million for the full year of 2024. Foreign exchange movements relate to settlements and revaluations of cash and other balance sheet items.

EBITA (acq)

EBITA (acq) for the fourth quarter of 2024 was €7.1 (8.5) million, at a margin of 16.0% (19.2%) and €25.3 (25.2) million, at a margin of 14.3% (14.6%), for the full year of 2024.

Items affecting comparability

Recorded in Q4 2024 were non-recurring expenses of €1.4 (0.3 gain) million, primarily related to personnel restructuring costs as part of the realisation of cost savings across the business.

Taxation

The tax expense comprises corporation tax and withholding tax. The tax expense for the fourth quarter of 2024 was a credit of €0.5 (1.9 expense) million, after €0.8 (0.5) million of withholding tax expense. The tax credit in the fourth quarter is non-recurring and due to a timing difference of the recognition of tax expenses during the first three quarters of 2024. The tax expense for the full year of 2024 was €3.5 (5.1) million.

Financial position and cash flow

The net cash position at 31 December 2024 was €61.3 (50.5) million.

Cash flow (excluding working capital movements and M&A) amounted to €6.7 (5.5) million for the fourth quarter of 2024 and €25.9 (15.0) million for the full year of 2024.

Financial information

The financial information has been presented in accordance with International Financial Reporting Standards as adopted by the European Union. All numbers in this report are unaudited. Comparative figures for the full year period 1 January – 31 December 2023 are audited and as per the 2023 Annual Report.

All numbers in this report are shown in Euro (€) unless otherwise stated and all the numbers in brackets refer to the equivalent period in the previous year.

Financial calendar

27 March 2025	2024 Annual Report and Accounts
30 April 2025	Q1 2025 report
19 May 2025	2025 Annual General Meeting
23 July 2025	Q2 2025 report
5 November 2025	Q3 2025 report
25 February 2026	Q4 2025 report

Contacts

SVP Investor Relations Mattias Frithiof, +46 735 944 577

Investor Relations Analyst Chris Stutzman, +1 302 603 5137

www.kambi.com

Kambi Group plc

Avenue 77, A4, Triq in-Negozju,
Zone 3, Central Business District,
Birkirkara, CBD 3010, Malta

About Kambi

Kambi Group is the home of premium sports betting services for licensed B2C gaming operators. Kambi's portfolio of market-leading products include Turnkey Sportsbook, Odds Feed+, Managed Trading, Bet Builder, Esports, Front End and Sportsbook Platform. Kambi Group also operates esports data and odds supplier Abios, front end technology experts Shape Games and cutting-edge AI trading division Tzeract. Kambi Group's partners include ATG, Bally's Corporation, Corredor Empresarial, Kindred Group, LeoVegas, LiveScore, Rush Street Interactive and Svenska Spel. Kambi Group employs more than 1,000 staff across offices in Malta (headquarters), Australia, Denmark, Philippines, Romania, Sweden, the UK and the United States.

Kambi utilises a best of breed security approach and is ISO 27001 and eCOGRA certified. Kambi Group plc is listed on First North Growth Market at Nasdaq Stockholm under the symbol "KAMBI". The Company's Certified Advisor is Redeye AB.

Legal disclaimer

Kambi does not give any forecasts. Certain statements in this report are forward-looking and the actual outcomes may be materially different. Even though management believes any expectations expressed are deemed reasonable, no guarantee can be given that such expectations will prove correct and even if such expectations remain, quarterly fluctuations are common. In addition to the factors discussed, other factors could have an impact on actual outcomes. Such factors include developments for customers, competitors, the impact of economic and market conditions, national and international legislation and regulations, fiscal regulations, the effectiveness of copyright for computer systems, technological developments, fluctuation in exchange rates, interest rates and political risks.

Publication

The information in this report is such that Kambi Group plc is required to disclose under the EU Directive of Market Abuse Regulation and rules for companies listed on the First North Growth Market at Nasdaq Stockholm.

The information in this report was sent for publication on Wednesday 26 February 2025 at 07:45 CET by CEO Werner Becher.

CONSOLIDATED INCOME STATEMENT
€ '000

	Q4 2024	Q4 2023	Jan - Dec 2024	Jan - Dec 2023
Revenue	44,453	44,287	176,415	173,303
Staff costs	-15,899	-14,561	-63,904	-61,264
Data supplier costs	-4,960	-3,838	-18,615	-17,184
Other operating expenses	-8,430	-8,243	-34,081	-35,976
Exchange gains/(losses)	788	-608	-142	-2,232
Operating expenses	-28,501	-27,250	-116,742	-116,656
EBITDA	15,952	17,037	59,673	56,647
<i>EBITDA margin</i>	<i>35.9%</i>	<i>38.5%</i>	<i>33.8%</i>	<i>32.7%</i>
Amortisation on capitalised development costs	-7,201	-6,352	-27,837	-24,240
Depreciation	-1,618	-2,203	-6,537	-7,182
<i>Total expenses before amortisation on acquired intangibles</i>	<i>-37,320</i>	<i>-35,805</i>	<i>-151,116</i>	<i>-148,078</i>
EBITA (acq)	7,133	8,482	25,299	25,225
<i>EBITA (acq) margin</i>	<i>16.0%</i>	<i>19.2%</i>	<i>14.3%</i>	<i>14.6%</i>
Amortisation on acquired intangibles	-1,223	-1,332	-5,219	-5,241
Total expenses	-38,543	-37,137	-156,335	-153,319
Operating profit	5,910	7,150	20,080	19,984
<i>Operating margin</i>	<i>13.3%</i>	<i>16.1%</i>	<i>11.4%</i>	<i>11.5%</i>
Investment income	625	241	1,162	563
Finance costs	-626	-236	-886	-836
Profit before items affecting comparability	5,909	7,155	20,356	19,711
Impairment of Goodwill	-	-12,417	-	-12,417
Contingent consideration reversal	-57	12,717	-57	12,717
Restructuring costs	-1,307	-	-1,307	-
Profit before tax	4,545	7,455	18,992	20,011
Income tax	519	-1,925	-3,547	-5,110
Profit after tax	5,064	5,530	15,445	14,901

CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME
€ '000

	Q4 2024	Q4 2023	Jan - Dec 2024	Jan - Dec 2023
Profit after tax for the period	5,064	5,530	15,445	14,901
Other comprehensive income:				
Currency translation adjustments taken to equity	936	-503	2,115	236
Actuarial gain/(loss) on employee defined benefits	-29	-141	-29	-141
Comprehensive income for the period	5,971	4,886	17,531	14,996

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ '000

	31 Dec 2024	31 Dec 2023
ASSETS		
<i>Non-current assets</i>		
Intangible assets	96,342	101,186
Property, plant and equipment	12,884	17,819
Deferred tax assets	5,679	6,393
	114,905	125,398
<i>Current assets</i>		
Trade and other receivables	43,295	37,369
Tax receivables	648	1,585
Cash and cash equivalents	61,278	50,540
	105,221	89,494
Total assets	220,126	214,892
EQUITY AND LIABILITIES		
<i>Capital and reserves</i>		
Share capital	89	93
Share premium	62,046	62,046
Other reserves	3,620	4,543
Currency translation reserve	-2,304	-4,419
Shares repurchased	-3,304	-15,089
Retained earnings	120,178	124,973
Total equity	180,325	172,147
<i>Non-current liabilities</i>		
Lease liabilities	5,712	9,128
Deferred tax liabilities	4,478	6,897
Other liabilities	609	485
	10,799	16,510
<i>Current liabilities</i>		
Trade and other payables	25,050	20,883
Tax liabilities	-	1,368
Contingent consideration	175	118
Lease liabilities	3,777	3,866
	29,002	26,235
Total liabilities	39,801	42,745
Total equity and liabilities	220,126	214,892

CONSOLIDATED STATEMENT OF CASH FLOWS

€ '000

	Q4 2024	Q4 2023	Jan - Dec 2024	Jan - Dec 2023
OPERATING ACTIVITIES				
Profit from operations	5,910	7,150	20,080	19,984
<i>Adjustments for:</i>				
Depreciation of property, plant and equipment	1,618	2,203	6,537	7,182
Amortisation of intangible assets	8,424	7,684	33,056	29,481
Restructuring costs	-1,307	-	-1,307	-
Share-based payment	176	-1,931	786	-482
Operating cash flows before movements in working capital	14,821	15,106	59,152	56,165
(Increase)/decrease in trade and other receivables	-4,696	-7,712	-5,926	1,599
(Decrease)/increase in trade and other payables	1,805	-142	4,170	1,926
(Decrease)/increase in other liabilities	73	149	124	192
Cash flows from operating activities	12,003	7,401	57,520	59,882
Income taxes paid net of tax refunded	-847	-1,781	-4,621	-10,438
Interest income received	268	78	805	400
Net cash generated from operating activities	11,424	5,698	53,704	49,844
INVESTING ACTIVITIES				
Purchases of property, plant and equipment	-599	-220	-1,250	-3,547
Development costs of intangible assets	-6,925	-7,722	-28,212	-27,630
Acquisition of subsidiary, net of cash acquired	-	-	-196	-1,244
Payment of contingent consideration	-	-10,214	-	-10,310
Net cash used in investing activities	-7,524	-18,156	-29,658	-42,731
FINANCING ACTIVITIES				
Proceeds from exercise of share options	-	2,314	-	2,314
Shares repurchased	-3,321	-1,145	-8,952	-8,323
Repayment of convertible bond	-	-	-	-7,500
Payment of lease liabilities	-860	-868	-3,820	-3,424
Interest paid	-125	-66	-294	-419
Net cash generated/(used in) financing activities	-4,306	235	-13,066	-17,352
Net increase/(decrease) in cash and cash equivalents	-406	-12,223	10,980	-10,239
Cash and cash equivalents at beginning of period	60,482	62,417	50,540	60,701
Effect of foreign exchange rate differences	1,202	346	-242	78
Cash and cash equivalents at end of period	61,278	50,540	61,278	50,540

**CONSOLIDATED STATEMENT OF CHANGES IN
 EQUITY**
 € '000

	Q4 2024	Q4 2023	Jan - Dec 2024	Jan - Dec 2023
Opening balance at beginning of period	178,686	167,768	172,147	163,387
Comprehensive income				
Profit for the period	5,064	5,530	15,445	14,901
<i>Other comprehensive income:</i>				
Translation adjustment	936	-503	2,115	236
Actuarial gain/(loss) on employee defined benefits	-29	-141	-29	-141
	5,971	4,886	17,531	14,996
Transactions with owners				
Share options - value of employee services	176	-1,931	786	-482
Other	-1,188	274	-1,188	274
Shares repurchased	-3,321	-1,145	-8,952	-8,323
Exercise of share options	-	2,289	-	2,289
Tax on retirement benefits	1	6	1	6
	-4,332	-507	-9,353	-6,236
Closing balance at end of period	180,325	172,147	180,325	172,147

KEY METRICS

This table is for information only and does not form part of the condensed financial statements

	Q4 2024	Q4 2023	Jan - Dec 2024	Jan - Dec 2023
EBITDA (€m)	16.0	17.0	59.7	56.6
EBITA (acq) (€m)	7.1	8.5	25.3	25.2
EBITA (acq) margin	16.0%	19.2%	14.3%	14.6%
Operating profit (EBIT) (€m)	5.9	7.2	20.1	20.0
Operating margin	13.3%	16.1%	11.4%	11.5%
Operating expenses excluding data supplier costs	-23.5	-23.4	-98.1	-99.5
Total expenses before amortisation on acquired intangible:	-37.3	-35.8	-151.1	-148.1
Cash and cash equivalents (€m)	61.3	50.5	61.3	50.5
Employees at period end	1,076	1,110	1,076	1,110
FTE Employees at period end	1,066	1,097	1,066	1,097
Earnings per share (€)	0.170	0.182	0.515	0.488
Fully diluted earnings per share (€)	0.170	0.181	0.515	0.486
Number of shares outstanding at period end	29,539,619	30,539,705	29,539,619	30,539,705
Fully diluted number of shares outstanding at period end	29,539,619	30,645,705	29,539,619	30,645,705
Average number of shares outstanding	29,780,967	30,429,385	29,989,504	30,529,475
Average number of fully diluted shares outstanding	29,780,967	30,490,483	29,989,504	30,631,451

Definitions

Cash flow (excluding working capital and M&A)

Cash flow from operating and investing activities excluding movements in working capital and acquisitions.

Customer/partner

B2C operator to whom Kambi provides services.

Earnings per share, fully diluted

Profit after tax adjusted for any effects of dilutive potential ordinary shares divided by the fully diluted weighted average number of ordinary shares for the period.

EBIT

Earnings before interest and taxation, equates to operating profit. EBIT does not include Items affecting comparability.

EBITA (acq)

Earnings before interest, taxation and amortisation on acquired intangible assets. EBITA (acq) does not include Items affecting comparability.

EBITDA

Earnings before interest, taxation, depreciation and amortisation on both acquired intangible assets and capitalised development costs.

Gross Gaming Revenue

Gross Gaming Revenue (GGR) is the amount wagered minus the winnings returned to the players.

Items affecting comparability

Financial items reported separately due to their non-recurring nature and are not related to underlying business operations.

Kambi Turnover Index

In the interest of commercial sensitivity and instead of disclosing actual turnover figures, Kambi presents its customers' sports betting turnover as an index called The Kambi Turnover Index, with the first quarter of 2014 indexed at 100.

Net Gaming Revenue

Net Gaming Revenue (NGR) is GGR less deductible costs such as gaming tax.

Operator trading margin

The operator trading margin is the GGR as a percentage of Operator turnover.

Operator turnover

Operator turnover is defined as total real money stakes placed with operators by end users.

Commercial explanations

Kambi's portfolio of premium sports betting solutions include:

Turnkey Sportsbook

Kambi's world's leading end-to-end sportsbook solution, which is trusted by more than 40 operators across the globe to deliver growth and regulatory certainty.

Odds Feed+

Kambi's library of high-quality odds, delivered to operators via a seamless single integration into their existing sportsbook.

Managed Trading

Kambi's trading and risk management capabilities with access to Trading Tools for even greater control.

AI trading

Automated pricing and management of odds without human intervention, powered by Kambi's AI trading division Tzeract.

Bet Builder

A product which gives bettors the opportunity to combine individual selections in the same game within a single betslip.

Esports

The provision of a variety of esports products, including streaming, data, odds feeds and widgets, via Kambi's esports-focused division Abios.

Front End

Flexible, customisable front end solutions from Kambi's front end division Shape Games, offering operators the tools to deliver seamless and engaging user experiences.

Sportsbook Platform

The industry's number one multi-tenant Sportsbook Platform, known for its reliability, scalability and unmatched performance.

Currency effects

Kambi's principal currency is the Euro, which is also the reporting currency, but has both costs and revenues in certain other currencies, such as SEK, GBP and USD which can be subject to short-term fluctuations

Operating expenses

Operating expenses are a combination of activity-related costs and fixed costs; the main expenses are salaries, office costs, data supplier costs, and consultant costs.

Operator trading margin

The operator trading margin can fluctuate from quarter to quarter, mainly due to the outcome of sporting events with the highest betting volumes and value. Based on the current commercial and market outlook, Kambi expects the operator trading margin for the coming 12 month period to be in the range of 9.5 – 11.0%.

The operator turnover is affected by short-term variations in operator trading margins; over time there is likely to be a negative correlation i.e. a higher operator trading margin results in lower turnover.

Due to the variance in actual sporting results, there can be deviation from the 12 month expectation without prompting a change in the outlook. The operator trading margin expectations are estimated on a forward-looking rolling 12 month basis and are shared to explain short-term variations in betting patterns and therefore revenues. They are reviewed quarterly and when updated, previously stated expectations should be considered obsolete.

Revenue

Kambi charges its operators a fee based on a number of variables including fixed fees, the number of live events offered and commission based on a revenue share of operators' GGR less deductible costs, such as certain capped marketing incentives and tax (i.e. NGR).

To promote and support growth, some of the customer contracts include tiers with lower commission rates on the higher levels of their sports betting revenues.

Overview of US partners

Below, Kambi details the US states in which it is live and generating revenue from Turnkey Sportsbook partners:

✓ = Retail and online ✓ = Retail ✓ = Online

State	Bally's	CDI	Desert Diamond	Four Winds	JACK	ilani	Miami Valley	Mohegan Gaming	Oaklawn
Arizona	✓		✓						
Arkansas									✓
Colorado	✓								
Illinois	✓								
Indiana	✓	✓		✓					
Iowa	✓	✓							
Kentucky		✓							
Louisiana	✓	✓							
Maryland	✓	✓							
Massachusetts	✓								
Michigan				✓					
Mississippi	✓	✓							
New Jersey	✓								
New York	✓	✓							
Ohio	✓				✓		✓		
Pennsylvania		✓						✓	
Tennessee	✓								
Virginia	✓								
Washington						✓			

State	Parx	Penn	Pota- watomi	Prairie Band	RSI	Seneca	Soaring Eagle	War- Horse
Arizona					✓			
Colorado		✓			✓			
Delaware					✓			
Illinois		✓			✓			
Indiana		✓			✓			
Iowa		✓			✓			
Kansas		✓		✓				
Louisiana		✓			✓			
Maryland	✓				✓			
Massachusetts		✓						
Michigan	✓	✓			✓		✓	
Mississippi		✓						
Nebraska								✓
New Jersey	✓				✓			
New York					✓	✓		
Ohio	✓	✓			✓			
Pennsylvania	✓	✓			✓			
Virginia					✓			
Washington					✓			
West Virginia		✓			✓			
Wisconsin			✓					

Partner signings and extensions

Below, Kambi details partner signings and extensions completed during and after the quarter across its product portfolio:

Product	Partner	Contract type
Esports	Bingoal	Signing
	Svenska Spel	Signing
	Kindred	Signing
Front End	Choctaw Nation of Oklahoma	Signing
Odds Feed+	Hard Rock Digital	Signing
	Rei do Pitaco	Signing
Turnkey Sportsbook	BetCity	Extension
	KTO Group	Signing
	Soft2Bet	Signing
	Stake	Signing
	Wind Creek Hospitality	Signing
	VIP Play Inc.	Signing

Partner launches

Below, Kambi details launches during and after the quarter across its product portfolio:

Product	Partner	Brand	Territory	Channel
Odds Feed+	Hard Rock Digital	Hard Rock Bet	United States	Online
	Rei do Pitaco	Rei do Pitaco	Brazil	Online
Turnkey Sportsbook	Bally's Corporation	Bally Bet	Tennessee, US	Online
			New Jersey, US	Online
			Ontario	Online
		Bally Casino	Ireland	Online
		Jackpotjoy	Ireland	Online
		Monopoly Casino	UK	Online
	Ireland		Online	
	BetPlay	Aposta.LA	Paraguay	Online
	BetWarrior	BetWarrior	Brazil	Online
	KTO	KTO	Brazil	Online
	LeoVegas	BetMGM	Sweden	Online
			Brazil	Online
	LeoVegas	LeoVegas	Germany	Online
	LiveScore	LiveScoreBet	Bulgaria	Online
	Nexus	Olimpo bet	Peru	Online
	Paf	Golden Bull	Sweden	Online
RSI	BetRivers	Washington, US	Retail	
Stake	Stake	Brazil	Online	
SunBet	SunBet	Botswana	Online	

Share repurchases

Detailed below are Kambi's share repurchases to date:

Dates	Number of shares repurchased	Amount spent (€m)	Weighted average share repurchase price (€)
27 October - 10 November 2021	523,500	12.0	21.10
4 May - 30 May 2023	381,476	7.2	17.44
5 December 2023 - 11 March 2024	237,600	2.8	13.57
18 March 2024 - 22 April 2024	479,086	4.0	8.82
6 November 2024 - 25 February 2025	742,500	7.3	9.77
Total	2,364,162	33.3	14.09

246,984 of repurchased shares were used for the exercise of share options in November 2023.

On 26 November 2024, Kambi completed the cancellation of 1,374,678 ordinary shares which were acquired through buybacks.