

Kindred Group Press Release

Malta, 14 September 2022

Kindred Group presents new financial targets and provides detailed update of its strategy

At today's Capital Markets Day in London, UK, Kindred Group's CEO Henrik Tjärnström and CFO Johan Wilsby, joined by members of the executive management team and senior managers, will provide a detailed update of Kindred's strategic direction, operations and financial performance.

In connection with the Capital Markets Day, Kindred Group will present new financial targets for 2025 consisting of:

- Revenue of above GBP 1.6 billion
- Underlying EBITDA margin of 21 22 per cent
- Distribution policy of \sim 75 100 per cent of free cash flow (after M&A)

Kindred Group plc (Kindred) will host a Capital Markets Day (CMD) in London, UK, today at 12:00 BST. During the event, CEO Henrik Tjärnström and members of the management team will present Kindred's long-term strategic direction and priorities for the coming years.

Priorities include:

- Gaining further market share by being a trusted source of entertainment in Kindred's existing core markets in Europe and Australia, which are expected to grow with a CAGR of 7 per cent between 2021 and 2026.
- Developing a strong position in the Netherlands, a market generally expected to grow significantly in the coming years according to H2 Gambling Capital, thanks to the efficient completion of a stringent license process, trusted brand recognition and local experience.
- Leveraging strategic investments such as the Relax Gaming acquisition and the development of the Kindred Sportsbook Platform ("KSP"), where increased flexibility, scalability and access to unique product content will differentiate Kindred from competition.
- Building on the solid market foundation established in North America as this region matures and focus on customer experience increases.

"I am delighted to share a more detailed view of our strategic direction and priorities we have set out at Kindred. We have been a driving force in the transformation of the industry and understood early on the requirements to succeed in a locally regulated and complex environment. We now have critical building blocks in place, and I am fully confident in the direction we are taking", says Henrik Tjärnström, CEO Kindred Group.

"It is also very encouraging to see the progress being made in the development of our Kindred Sportsbook Platform, with key milestones already achieved, towards a

Kindred Group plc, Level 6, The Centre, Tigne Point, Sliema, TPO 0001, Malta Registered office: c/o Camilleri Preziosi, Level 2, Valletta Buildings, South Street, Valletta, Malta. Company No: C 39017. Registered in Malta. www.kindredgroup.com









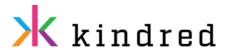












selected market launch around year-end 2023", says Henrik Tjärnström, and continues. "The entry into the Netherlands has also exceeded our expectations and we are well under way to reach our ambition of a 15 per cent market share by the end of the year."

2025 financial targets

Kindred will present detailed information underpinning how the Group is accelerating the execution of its strategy, including new financial targets that the Board has decided on.

Revenue of above GBP 1.6 billion

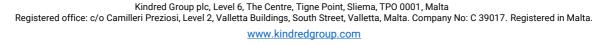
The expected revenue increase is built on Kindred's focused strategy and by utilising the significant growth opportunities in the existing markets. Kindred operates a balanced portfolio of markets in different stages of maturity. providing opportunities to benefit from both the expected underlying market growth and further market share gains. Netherlands is expected to be an important contributor during the coming years along with improved product differentiation and unique content supply.

Underlying EBITDA margin of 21 – 22 per cent

Kindred's focus on increased product control and scalability are fundamental in driving profits in locally regulated markets. The expected revenue growth combined with continued cost optimisation and scalability is anticipated to support Kindred's target to reach an Underlying EBITDA margin of 21 - 22 per cent in 2025. The investment in KSP will drive scalability and is expected to generate positive cash flow contribution in 2025. The total costs for Kindred's sports betting business are expected to decrease by approx. 30 per cent after full implementation, which is expected beyond 2025.

Distribution policy of ~75 – 100 per cent of free cash flow (after M&A) The Board of Directors has decided to revise the previous dividend policy. Kindred's new dividend policy is to generate a stable ordinary dividend in absolute GBP denominated terms, paid in two equal tranches in the second and fourth quarter. In addition, Kindred will complement dividends with share buybacks.

The total pay-out of dividends and buybacks will be based on an assessment taking into account Kindred's financial position, capital structure and future investments needs, including acquisition opportunities. The total pay-out ratio of dividends and buybacks should over time equal about 75 - 100 per cent of free cash flow. Free cash flow is defined as cash flow from operations excluding movements in customer balances, less cash flow from investment activities (including acquisitions) and payments for lease liabilities.









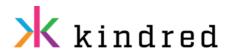












In addition to the financial targets for 2025, Kindred Group will also present guidance elements in relation to the share of Gross winnings revenue from locally regulated markets and capital expenditure.

Share of locally regulated Gross winnings revenue of around 90 per cent in

Kindred has a strategic objective to generate sustainable and profitable growth in locally regulated markets. During the first half of 2022, the share of locally regulated Gross winnings revenue reached 78 per cent and over the coming years, the share is expected to gradually increase and reach around 90 per cent in 2025.

Stable Capex as a per cent of revenue

As a per cent of revenues, Kindred's capital investments have been around 4 per cent during the last few years. Kindred will continue to invest in the development and enhancement of the proprietary and bespoke technology platform to improve among others customer experience and data analytics and meet changes in local licensing requirements. Kindred will also continue to invest in the development of KSP and despite these ongoing development projects, the capital investments are expected to remain relatively stable as a percentage of revenue.

Trading update and indicative guidance for the third guarter 2022

As part of the CMD, Kindred provides more clarity on the performance for the period 1 July to 11 September and a non-recurring indicative guidance for the third quarter 2022. The trading update shows a solid Gross winnings revenue development driven by high activity across markets.

The average daily Gross winnings revenue for the Group, up to and including 11 September 2022, was GBP 2.9 million, 12 per cent (12 per cent in constant currency) lower than the daily average for the full third quarter of 2021. Excluding the Netherlands, the average daily Gross winnings revenue for the Group, up to and including 11 September 2022, was GBP 2.6 million, 6 per cent (7 per cent in constant currency) higher than the daily average for the full third quarter of 2021.

On the completion of a stringent license application and regulatory review process, Kindred launched in the Netherlands on 4 July and, during the period from going live up to and including 11 September, the average daily Gross winnings revenue for the Netherlands was GBP 317 thousand, increasing gradually throughout the period.

Depending on activity levels and the sports betting margin for the remainder of the guarter, Kindred estimates the revenue for the third guarter of 2022 to be in the range of GBP 270 to 280 million.

Underlying EBITDA for the third quarter of 2022 is estimated to be in the range GBP 37 to 42 million (Q3-2021: GBP 84.8 million).









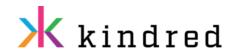












Capital Markets Day presentation and video recording

The presentation material will be made available on www.kindredgroup.com/investors/capital-markets-day-2022/ at around 13:00 CEST on 14 September 2022, and the video recording from the day will be made available on www.kindredgroup.com later the same day.

This disclosure contains information that Kindred Group is obliged to make public pursuant to the EU Market Abuse Regulation (EU No. 596/2014). The information was submitted for publication, through the agency of the contact person, on 14-09-2022 07:30 CFST

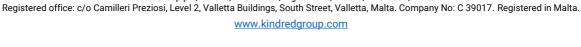
For more information:

Patrick Kortman, Director - Corporate Development & Investor Relations, +46 723 877 438 Linda Lyth, Investor Relations Manager, +46 767 681 337 ir@kindredgroup.com

About Kindred Group

Kindred Group is one of the world's leading online gambling operators with business across Europe, US and Australia, offering more than 30 million customers across 9 brands a great form of entertainment in a safe, fair and sustainable environment. The company, which employs about 2,000 people, is listed on Nasdaq Stockholm Large Cap and is a member of the European Gaming and Betting Association (EGBA) and founding member of IBIA (International Betting Integrity Association). Kindred Group is audited and certified by eCOGRA for compliance with the 2014 EU Recommendation on Consumer Protection and Responsible Gambling (2014/478/EU). Read more on www.kindredgroup.com.

Nasdaq Stockholm, KIND-SDB



Kindred Group plc, Level 6, The Centre, Tigne Point, Sliema, TPO 0001, Malta















