

22 MARCH 2018 NET GAMING EUROPE AB (PUBL)

ABG iGaming Seminar

Marcus Teilman

PRESIDENT & CEO

Net Gaming in numbers



130+

NUMBER OF REVENUE
WEBSITES



2005

FOUNDED



3

NUMBER OF OFFICES



82

EMPLOYEES



22

NATIONALITIES



169

REVENUE 2017, MSEK



107

EBITDA 2017, MSEK

BUSINESS IDEA

What we do

**To own, operate and develop
high quality digital brands in
order to help people make the
right decisions online**

MISSION

Why we're doing it

**To help you choose right in
a complex digital world**

Strong digital brands in our portfolio

POKERLISTINGS



Casino Toplists



MortgageLoan.com

**CASINO
TOP₁₀**

Our performance and trends



Full year 2017 in numbers



246%

REVENUE GROWTH



169

REVENUE, MSEK



14%

ORGANIC GROWTH



16%

ORGANIC FTD GROWTH



620%

EBITDA GROWTH

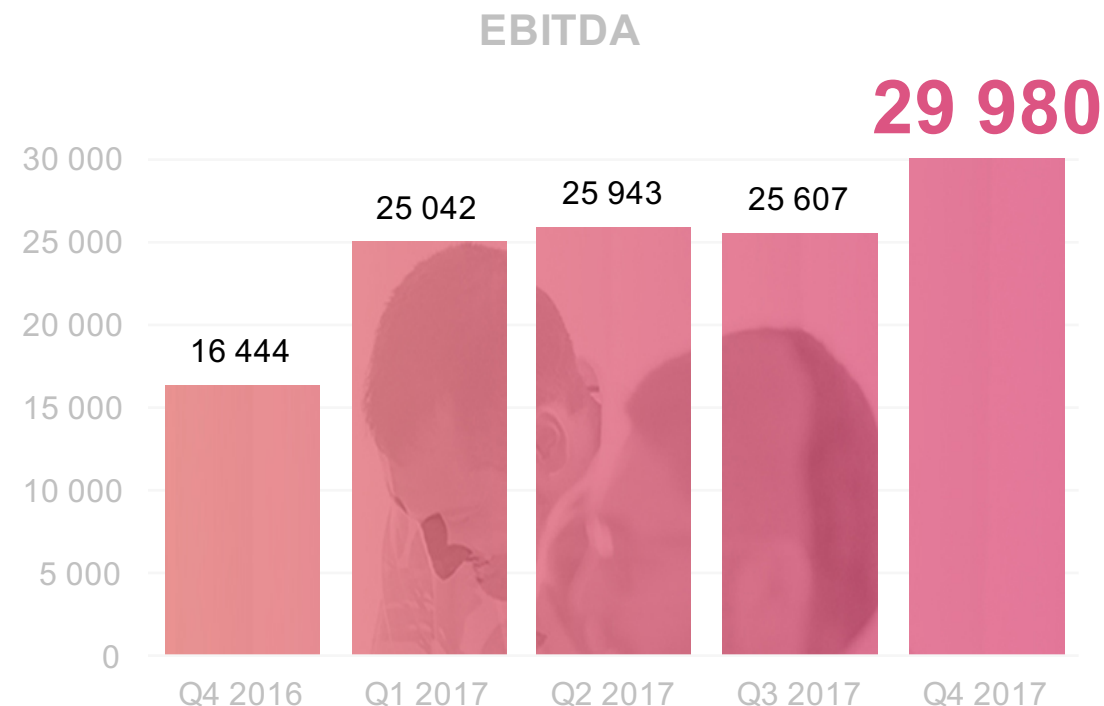
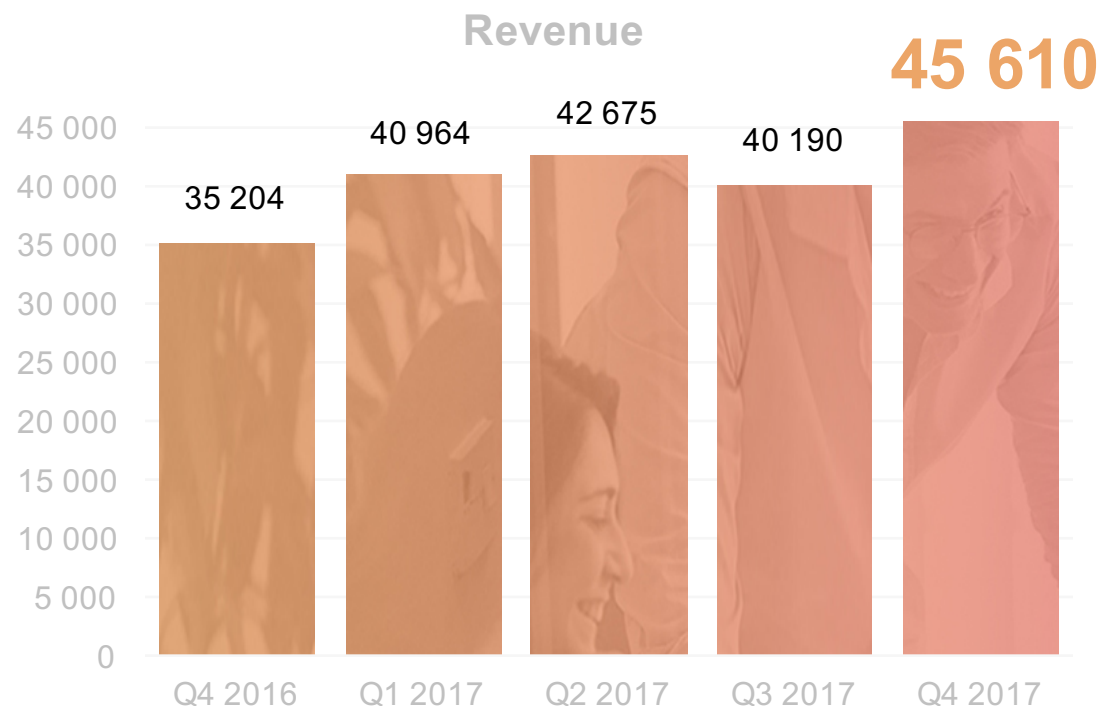


107

EBITDA, MSEK

Strong revenue and EBITDA growth

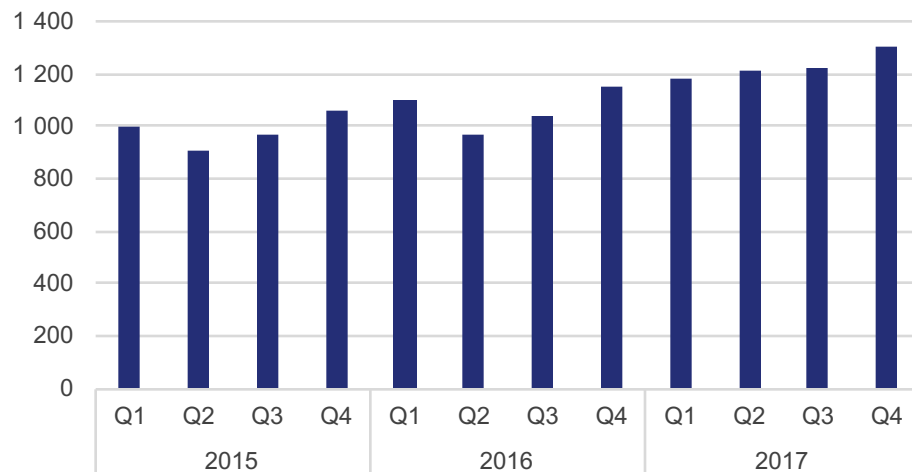
Revenues Q4 +30% Y/Y, EBITDA Q4: +82% Y/Y



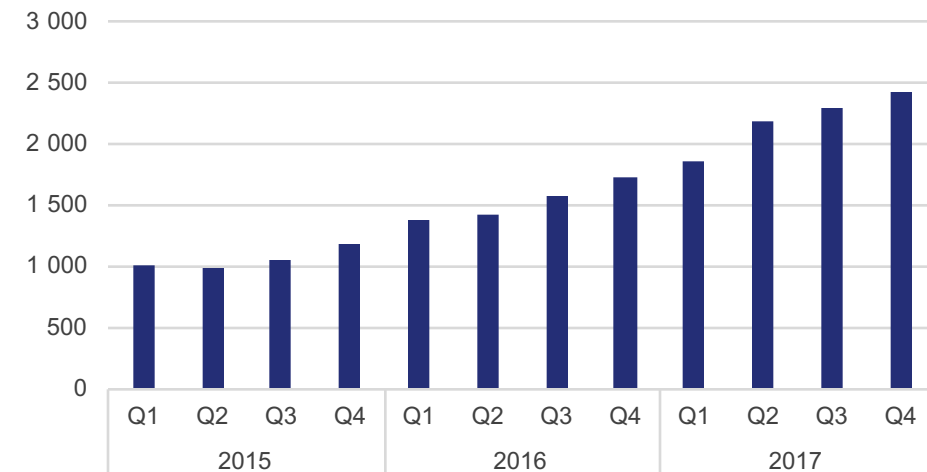
Solid FTD development

- Casino & Poker FTD trend: +13%
- Casino grew +40% (+32% organic)

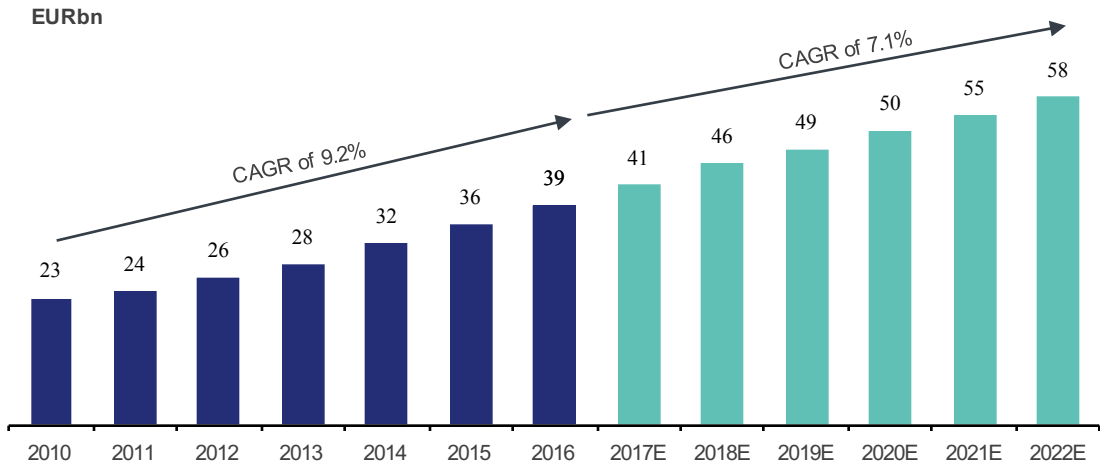
Indexed FTD trend Casino & Poker



Indexed FTD trend Casino



Strong underlying market. The iGaming market is expected to continue developing strongly



- The iGaming market is expected to continue increasing strongly with a CAGR of 7.1% in the period 2017-2022E
- By 2020, the total market size is expected to amount to approx. EUR 50bn
- The iGaming market is fuelled by an expected increase in the gaming market as a whole in combination with an increased share conducted online
- iGaming is estimated to constitute 10.7% of the total gaming market as of 2017

Source: H2 Global Summary, December 2017. Verticals' sizes are as of 2017E and vertical growth rate represent 2017-2022E growth

Betting

- Customers plays **against the house** by placing a bet on an outcome
- Sports betting is **the largest vertical** within iGaming with an estimated market size of EUR 20.3bn



Poker

- Customers plays against **each other**
- Operators take a small stake in every hand "**rake**" as an arrangement fee



Casino

- Customers plays against the house with a **fixed aggregated pay-out ratio**
- Popular games include **slot machines, blackjack and roulette tables**
- New niches within the vertical include for example live-casino with broadcasted dealers



Bingo

- Customers **buy tickets** to win prices or an accumulated jackpot



Our financial targets

Financial targets

Revenue growth

To grow faster organically than comparable competitors and to grow actively through acquisitions.

Capital structure

Over time, net debt relative to EBITDA should be less than 3.0

Dividend

To prioritize growth over the next three years through acquisitions, internal growth projects and capital structure in favour of dividends.

Our strategy and strengths



OUR STRENGTHS

We deliver the highest quality customer leads in the industry

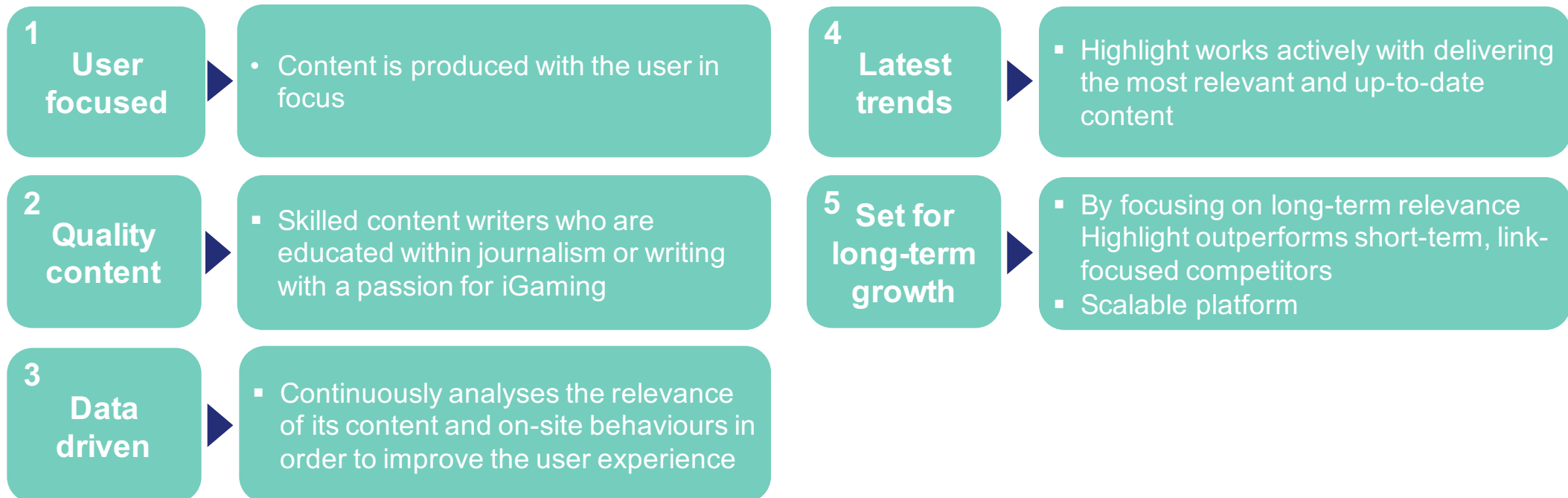
1 INTELLIGENT PROPRIETARY
DIGITAL PLATFORM

2 STRONG, QUALITATIVE BRANDS

3 PROVEN, DATA-DRIVEN
ORGANIZATION

4 STRONG CORPORATE
CULTURE

What makes Net Gaming unique?



ROBUST TECHNOLOGY

In-house developed platform

- Proprietary technical platform for websites connect different CMS solutions into one solution for scalability.
- In-house statistical system for complete conversion funnel with in-house system for business intelligence and data ware house. Known solutions like Google Analytics in place for backup.
- Automated solutions and reporting on technical performance and SEO score to maintain decent staff numbers and increase competence.



Our growth strategy

Our growth strategy

- Own and **develop strong brands** and comparison sites primarily within iGaming
- Continue to **grow organically** in selected focus markets
- **Acquire** when Net Gaming can create value
- **Data driven work process** supported by a high level of technical know-how and business intelligence
- Invest in the **operational platform** in order to achieve economies of scale

ORGANIC GROWTH

Vertical and geographical expansion

- + Adding a new vertical: **Sports Betting**
- + Adding new traffic source to existing business: **Paid media**
- + New markets: **Asia**

GROWTH MARKETS

Adding new brands to our selected growth markets

 **UK**

 **FINLAND**

 **SPAIN**

 **ITALY**

 **GERMANY**

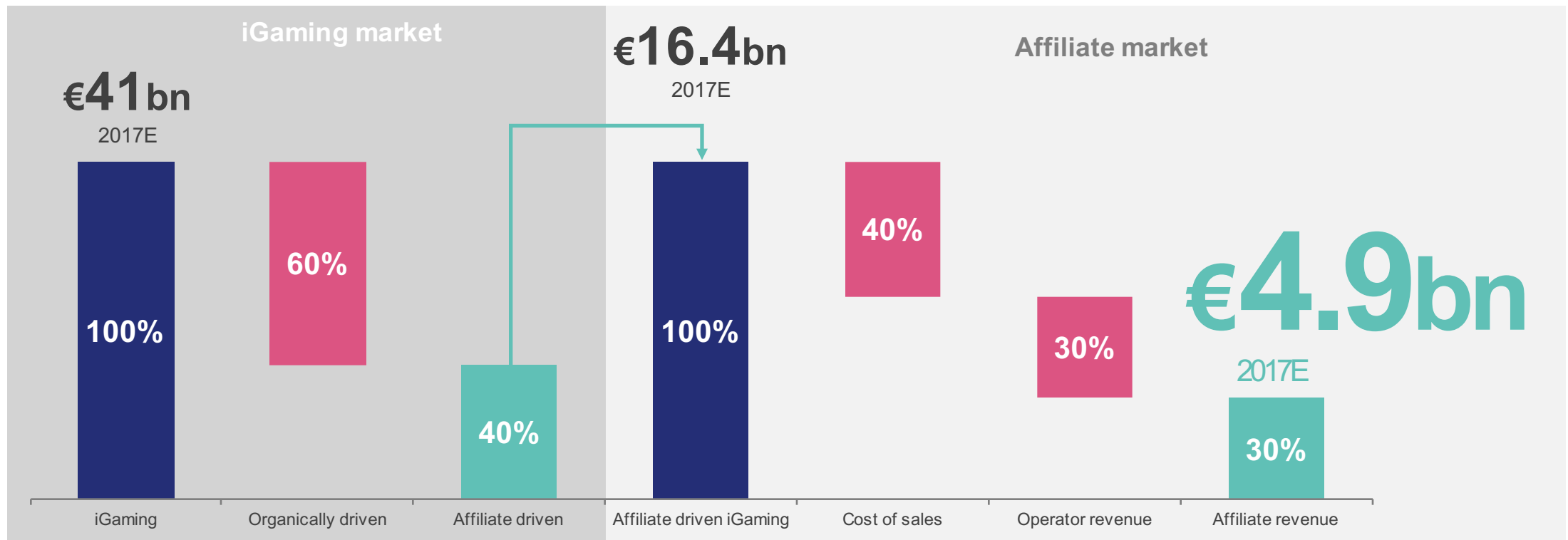
Regulatory changes create new opportunities:

 **USA**

Build value through quality acquisitions at reasonable multiples

The iGaming affiliate market breakdown

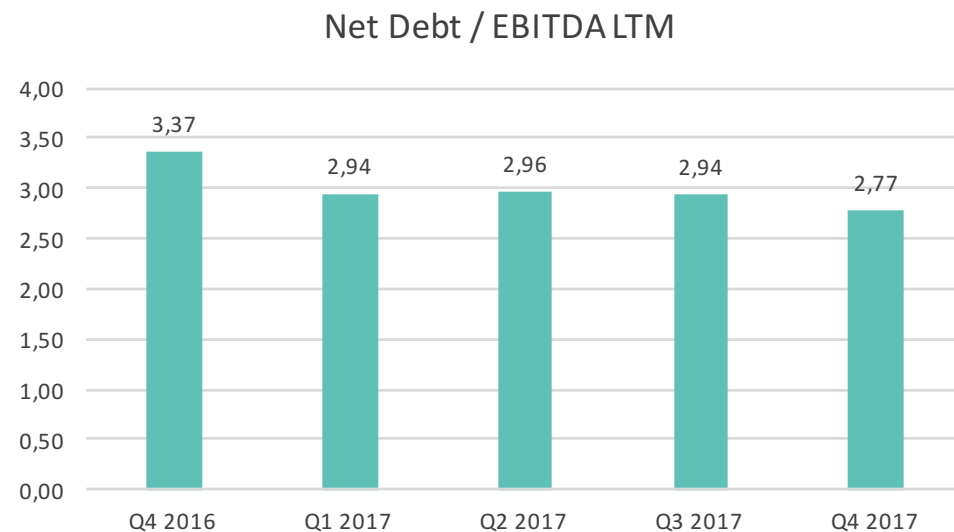
H2 Global Summary, December 2017



Integrating acquisitions and adding value



Net Debt development



One-offs	Cost	Affecting cash flow
Fee for ending previous bond	-26 MSEK	Yes
Activated advisory costs	-12 MSEK	No
Early amortization, convertible	-2 MSEK	Yes
Impairment deferred tax	-16 MSEK	No
Total	-56 MSEK	

Questions?

INVESTOR CONTACT:

CEO Marcus Teilman

marcus.teilman@netgaming.se