Evolution Gaming

Year-end report January - December 2017
15th of February 2018
Highlights

In the quarter:
• Revenue growth +48% to 50,7 MEUR (34,2)
• EBITDA increase +74% to 22,6 MEUR (13,0)
• EBITDA-margin 44,6% (37,8%)
• EBIT increase +86% to 18,8 MEUR (10,1)

Full Year:
• Revenue growth +54% to 178,4 MEUR (115,5)
• EBITDA increase +81% to 80,6 MEUR (44,6)
• EBITDA-margin 45,2% (38,6%)
• EBIT increase +92% to 66,9 MEUR (34,9)

• Continued high growth and margin
• Expansion of tables and studios
• Product development focus
Continued strong increase in activity across network

Bet spots

Bet spots

YoY growth +66%
Increase in staff

Full Time Equivalents (FTE)

YoY: +29%
QoQ: 13%
New studios in the works

**Tbilisi**
- Our hub for expansion coming 2-3 years
- Building on everything we’ve learned so far

**Vancouver**
- 1st studio in North America
- Regulatory studio
- Live February 1st
New products

RNG Table games

Lightening Roulette

Salon Privée
Financial development

Revenues | EBITDA | EBITDA, %
---|---|---
15Q1: 15,6 | 6,2 | 39%
15Q2: 18,1 | 7,7 | 42%
15Q3: 19,8 | 7,8 | 40%
15Q4: 22,8 | 9,3 | 41%
16Q1: 24,8 | 10,3 | 42%
16Q2: 27,1 | 10,6 | 39%
16Q3: 29,2 | 10,8 | 37%
16Q4: 34,3 | 13,0 | 38%
17Q1: 39,7 | 17,0 | 43%
17Q2: 42,3 | 19,2 | 45%
17Q3: 45,7 | 21,8 | 48%
17Q4: 50,7 | 22,6 | 45%

EUR million
### P/L detail

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>50 662</td>
<td>34 245</td>
<td>178 222</td>
<td>115 046</td>
</tr>
<tr>
<td>Other revenues</td>
<td>55</td>
<td>77</td>
<td>163</td>
<td>415</td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td><strong>50 718</strong></td>
<td><strong>34 322</strong></td>
<td><strong>178 385</strong></td>
<td><strong>115 461</strong></td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>-20 038</td>
<td>-15 996</td>
<td>-72 122</td>
<td>-53 218</td>
</tr>
<tr>
<td>Depreciation, amortisation and impairments</td>
<td>-3 793</td>
<td>-2 859</td>
<td>-13 754</td>
<td>-9 760</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>-8 081</td>
<td>-5 360</td>
<td>-25 628</td>
<td>-17 619</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td><strong>-31 911</strong></td>
<td><strong>-24 215</strong></td>
<td><strong>-111 504</strong></td>
<td><strong>-80 597</strong></td>
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<tr>
<td>Operating profit</td>
<td>18 806</td>
<td>10 107</td>
<td>66 882</td>
<td>34 864</td>
</tr>
<tr>
<td>Financial items</td>
<td>-37</td>
<td>-115</td>
<td>-217</td>
<td>-234</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td><strong>18 769</strong></td>
<td><strong>9 992</strong></td>
<td><strong>66 664</strong></td>
<td><strong>34 630</strong></td>
</tr>
<tr>
<td>Tax on profit for the period</td>
<td>-735</td>
<td>-944</td>
<td>-4 535</td>
<td>-2 890</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td><strong>18 034</strong></td>
<td><strong>9 048</strong></td>
<td><strong>62 129</strong></td>
<td><strong>31 740</strong></td>
</tr>
<tr>
<td>Earnings per share after dilution (EUR)</td>
<td>0,50</td>
<td>0,25</td>
<td>1,71</td>
<td>0,88</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>3,9%</td>
<td>9,4%</td>
<td>6,8%</td>
<td>8,3%</td>
</tr>
</tbody>
</table>
Cash flow and financial resources

**Capital expenditure**

- Intangibles
- Tangibles (excl building)
- % of revenue

**Operating cash flow**

- Op. Cash flow
- Cash conversion

**Balance sheet summary**

<table>
<thead>
<tr>
<th>EUR million</th>
<th>2017-12-31</th>
<th>2016-12-31</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total non-current assets</td>
<td>48 540</td>
<td>39 865</td>
</tr>
<tr>
<td>Current assets</td>
<td>70 460</td>
<td>37 266</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>49 272</td>
<td>26 188</td>
</tr>
<tr>
<td>Total current assets</td>
<td>119 732</td>
<td>63 454</td>
</tr>
<tr>
<td>Total assets</td>
<td>168 271</td>
<td>103 318</td>
</tr>
<tr>
<td>Total equity</td>
<td>109 881</td>
<td>63 896</td>
</tr>
<tr>
<td>Total long-term liabilities</td>
<td>7 259</td>
<td>8 170</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>51 132</td>
<td>31 251</td>
</tr>
<tr>
<td>Total equity and liabilities</td>
<td>168 271</td>
<td>103 318</td>
</tr>
</tbody>
</table>

**Note:**
Operating cash flow defined as EBITDA – Change in NWC – Capex
Look ahead...

• Increased focus and delivery from our product development

• Continued as planned development of Tbilisi studio

• Continue to take market-shares and to increase gap to our competitors

• New Jersey studio planned for second half 2018