

**Interim report
Q1 2020**



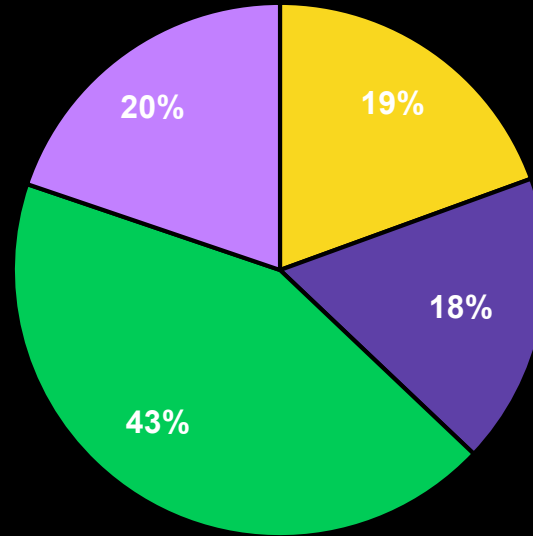
Therese Hillman, Group CEO

Report highlights

- Revenues of 518 (418) MSEK and EBITDA of 229 (196) MSEK in Q1 2020
- Proforma gaming revenue growth in euro of 12 percent y/y in Q1
- Full integration with Red Tiger to realize further synergies
 - Red Tiger CEO Gavin Hamilton assumed role of Group COO of NetEnt
 - Directed equity issue proposed to accelerate earn-out mechanism for Red Tiger sellers (6.3m B-shares, 2.6 percent dilution)
- Continued efforts to strengthen Live Casino offering
 - New record levels in number of players and bets every month since December
- Red Tiger continued to perform above expectations across all markets
- After the period, CFO Lars Johansson left NetEnt at his own request

GGR split by Region

- UK 19%* (14%)
- Nordics 18%* (26%)
- Other Europe 43%* (50%)
- Other World 20%* (10%)



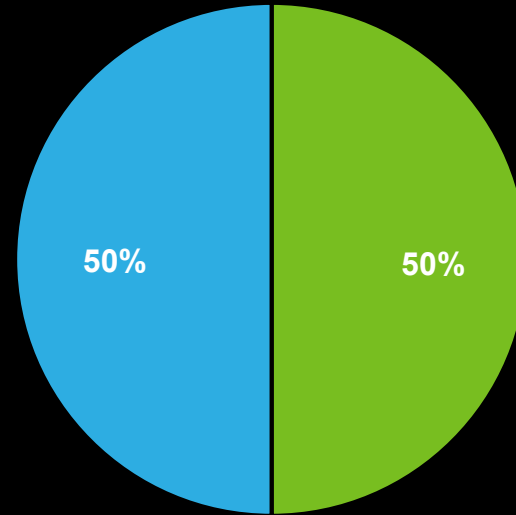
■ United Kingdom ■ Nordic region ■ Other Europe ■ Rest of world

*Q1 2020 includes Red Tiger



Locally Regulated Markets

- 50 (50)% of GGR from locally regulated markets
- Europe:
 - Challenging market in Sweden, accounted for only 6% of GGR in Q1
 - Red Tiger entered Slovakia and continued to expand in Italy
 - NetEnt entered Switzerland beginning of April
- Americas:
 - Continued positive developments in New Jersey and Pennsylvania
 - US accounted for 7% of GGR in Q1
 - Michigan could go-live in H2 2020
 - NetEnt entered Colombia in April



■ Locally regulated ■ Non-locally regulated



Q1 2020 – NEW GAMES AND PRODUCTS

NETENT
BETTER GAMING™

SERENGETI
KINGS™

RISE OF MAYA™

Wilderland™

OCEAN'S TREASURE™

HTML 5
Robin Hood
Shifting Riches™

SECRET
OF THE STONES™
MAX™



Leprechaun's Magic™

GOLDEN
CRYPTEX™

PIGGY RICHES™
MEGAWAYS™

RIO
STARS™

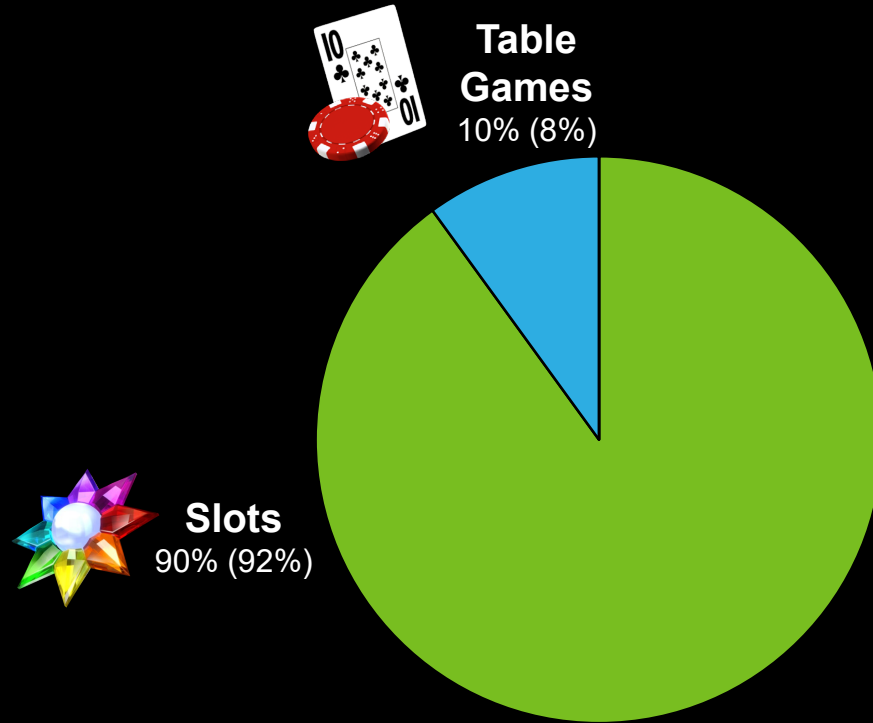
VAULT
OF
ANUBIS™

WINGS OF RA™

NETENT **live**



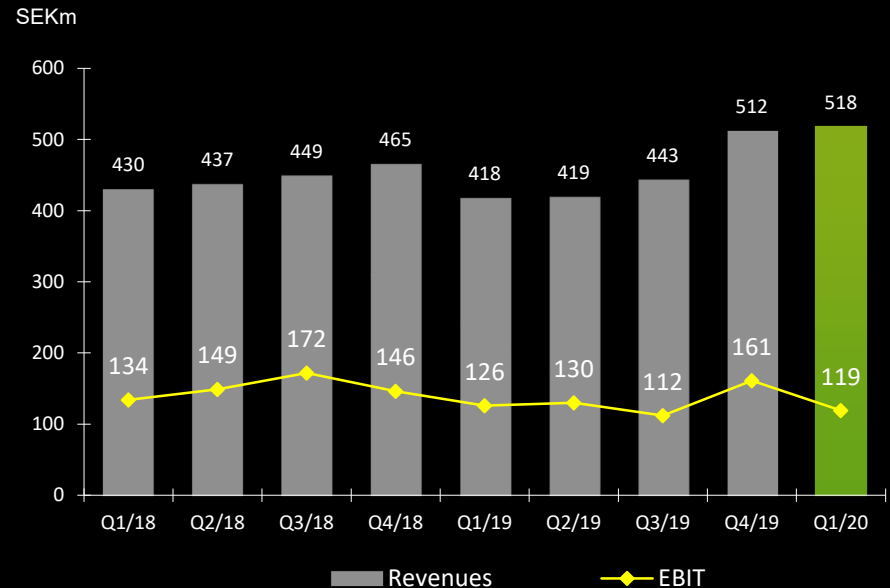
Gamewin By Game Type



Comparable figures in parenthesis for NetEnt in Q1 2019, excluding Red Tiger.

Revenues and earnings

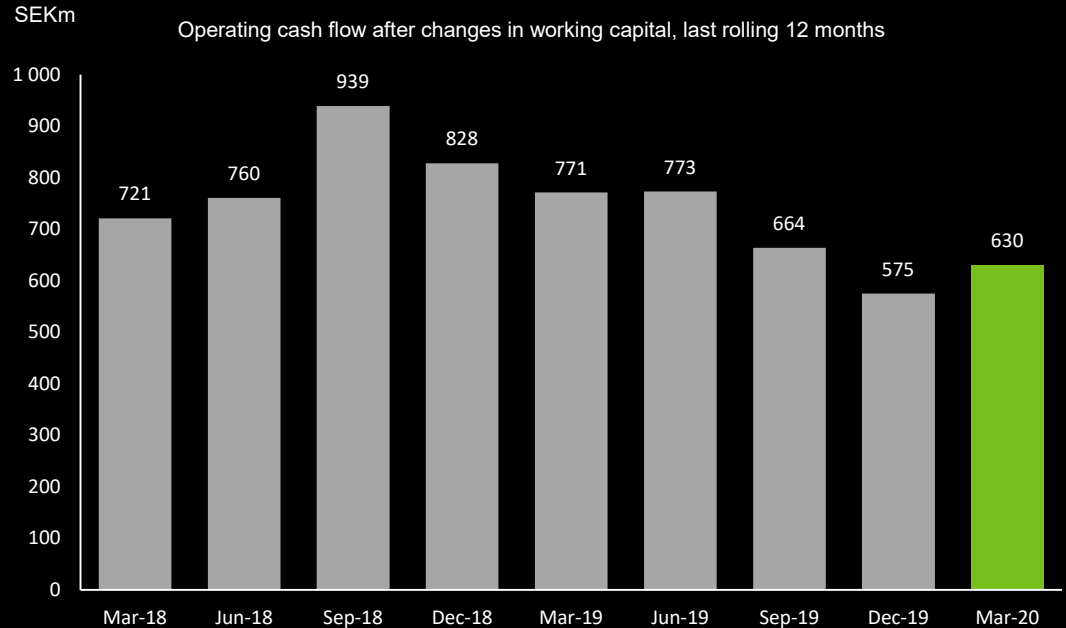
- Revenues in Q1-20 of 518 (418) SEKm
- Revenues supported by strong finish in March for both NetEnt and Red Tiger and weaker SEK
- Restructuring costs of 26 SEKm
- Reported EBITDA of 229 (196) SEKm, a margin of 44.2 (47.0)%
- Adjusted EBITDA of 254 (196) SEKm, a margin of 49.1 (47.0)%
- Reported EBIT of 119 (126) SEKm, a margin of 23.0 (30.2)%
- Adjusted EBIT of 145 (126) SEKm, a margin of 27.9 (30.2)%



LAST 12 MONTHS ROLLING

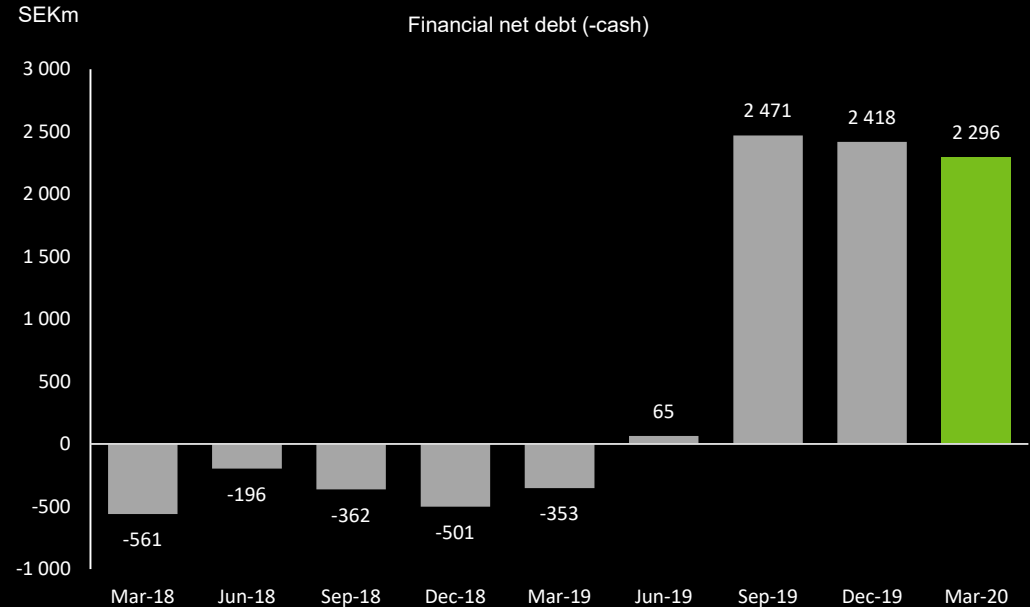
Operating Cash Flow

- Operating cash flow after changes in working capital was
 - 205 (150) SEKm in Q1
 - 630 (771) SEKm for L12M
- Operating cash flow after investments was 149 (106) SEKm in Q1



Net financial debt

- Net debt of 2,296 MSEK at 2020-03-31
 - Cash & cash equivalents: 267 MSEK
 - Bank loans: 2,239 MSEK
 - NPV of earn-out liability: 124 MSEK
 - IFRS 16 capitalized lease liabilities: 199 MSEK



Focus looking ahead

- Deliver revenue growth in 2020 supported by
 - Stronger NetEnt and Red Tiger product offering
 - Expansion to new markets and customers for NetEnt and Red Tiger
 - Live Casino expansion
- Continued focus on integration, cost control and efficiency
 - Red Tiger integration catalyst for further improvements
 - 150 MSEK in annual cost savings starting in H2 2020
- Covid-19 short-term and long-term effects
 - Consumption of digital entertainment in general gets a boost
 - Signs of faster migration from offline to online gaming, e.g. the US market
 - Increase in number of new players and stable ARPU



Q&A

The text "Q&A" is rendered in a bold, white, sans-serif font. It is centered on a black background. Behind the text, there is a decorative effect of small, glowing teal particles, resembling a starburst or a cluster of light points, which adds a dynamic and modern feel to the design.