

# Group Quarterly Statement 3Q 2023

**bet-at-home.com AG – 08 November 2023**

# REPORT BY THE MANAGEMENT BOARD



**Dear ladies and gentlemen, dear shareholders,**

This year, our operating activities are focused on the development on our core markets, as well as on the implementation of a strategic transition towards increased outsourcing and corresponding adjustments of key business processes. In this regard, in February 2023, the Malta-licensed offering (domain .com) of bet-at-home.com Internet Ltd. was outsourced to the reputable iGaming software provider EveryMatrix. The outsourcing of the German-licensed offering at www.bet-at-home.de was successfully completed in October. The group will henceforth concentrate internal development and operations solely on those customer- and revenue-relevant components that cannot be sourced externally, or can only be done so insufficiently.

Regulatory developments in the core market of Germany with the introduction of cross-product and cross-provider monthly betting limits, as well as restrictions on licensed providers in the segment of virtual slot machines continue to have a negative impact on the business performance of the bet-at-home.com AG Group in 2023. The increased dominance of the sports betting offering and the dependence of the company's product portfolio on a sporting calendar (no major sales-relevant sports events in 2023) lead to magnified seasonal differences. In addition to this, adverse sporting results, in particular a disproportionate number of wins by favorites in the most relevant football leagues, affected our margins in the sports betting segment in the third quarter of 2023. As a result, gross betting and gaming revenue in the first three quarters 2023 amounted to EUR 34.5 million, which is 11.6% below the previous year's level. The Management Board therefore adjusts its guidance for gross betting and gaming revenue for the 2023 financial year and now expects a target range of EUR 44 – 48 million (previously: EUR 50 – 60 million).

In the current 2023 financial year, bet-at-home.com strengthens its brand awareness through a large-scale advertising campaign during the start of the 2023/2024 football season and extensive bonus promotions, and places its marketing focus on the second half of 2023. Consequently, marketing expenses in the first three quarters 2023 increased by 33.8% year-on-year, to EUR 11.7 million. bet-at-home intends to further expand its strong market position in the sports betting sector in the core markets of Germany and Austria, in particular through targeted marketing measures.

As a result of the above mentioned factors, EBITDA in the first three quarters 2023 stands at EUR 1.7 million. For the full year 2023, the Management Board expects an EBITDA in the upper range of the previously announced forecast from EUR -3 million to EUR 1 million, supported by the strategic transition and continued cost discipline. As reported in the interim financial report 2023, there may arise additional one-off effects from the winding-up of bet-at-home.com Entertainment Ltd. (in Liquidation). The migrations of the customer and betting platforms to an outsourcing partner have positively impacted the cost and earnings structure of the Group.

**Marco Falchetto**

**CEO**

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**bet-at-home.com AG**

Group quarterly statement 3Q 2023 (unaudited) | 08 November 2023

Classification: Public

# DEVELOPMENT OF BETTING AND GAMING REVENUE



## Segment reporting

01/01-30/09/2023   in EUR 1,000	Online sports betting	Online gaming*	Total
<b>Betting and gaming volume</b>	<b>261,396</b>	<b>28,738</b>	<b>290,134</b>
Paid out winnings	-229,422	-26,175	-255,597
<b>Gross betting and gaming revenue</b>	<b>31,974</b>	<b>2,563</b>	<b>34,537</b>
Betting fees and gambling levies	-6,140	-1,373	-7,513
VAT on electronic services	-24	0	-24
<b>Net betting and gaming revenue</b>	<b>25,810</b>	<b>1,190</b>	<b>27,000</b>

\* includes casino, games and virtual sports

# CONSOLIDATED STATEMENT OF INCOME



Income Statement (in EUR 1,000)	01/01/- 30/09/2023
<b>Gross betting and gaming revenue</b>	<b>34,537</b>
Betting fees and gaming levies	-7,513
Value-added tax (VAT)	-24
<b>Net betting and gaming revenue</b>	<b>27,000</b>
Other income	1,611
Personnel expenses	-6,620
Advertising expenses	-11,709
Other operating expenses	-8,590
<b>EBITDA</b>	<b>1,692</b>
Amortisation/Depreciation	-1,259
<b>EBIT</b>	<b>433</b>
Financial result	-406
<b>EBT</b>	<b>27</b>
Taxes on income and earnings	-258
<b>Consolidated profit for the period</b>	<b>-231</b>

- Gross betting and gaming revenue in the first three quarters of 2023 amounted to EUR 34.5 million, which is 11.6% lower than the previous year's level (1Q-3Q 2022: EUR 39.1 million). This resulted mainly from regulatory developments in the core market of Germany, particularly the imposition of cross-product and cross-provider monthly betting limits effective from July 1, 2022, as well as adverse sporting results. Whereby the over-proportional number of favorites winning in the most prominent football leagues significantly affected the profit margin in the sports betting segment in the third quarter of 2023. Also relevant was a weaker performance of the online gaming segment, which was negatively impacted by restrictions on the licensed offering compared to the previous year.
- Personnel expenses decreased by 38.8% year-on-year to EUR 6.6 million, due to two restructuring programs implemented in the 2022 financial year.
- Marketing expenses in the first three quarters of 2023 increased by 33.8% year-on-year, to EUR 11.7 million. This year, the marketing focus is placed on advertising measures in the second half of 2023.
- Other operating expenses in the first three quarters of 2023 decreased by 15.9% year-on-year to EUR 8.6 million.
- EBITDA in the first three quarters of 2023 amounted to EUR 1.7 million.

# STABLE ASSET AND CAPITAL STRUCTURE



## Development of cash & cash equivalents and group equity

in EUR 1,000	31/12/2022	30/09/2023
Cash and cash equivalents	35,327	36,805

in EUR 1,000	31/12/2022	30/09/2023
Share capital	7,018	7,018
Capital reserves	7,366	7,366
Total comprehensive income	14,565	14,334
<b>Group equity</b>	<b>28,949</b>	<b>28,718</b>

- The Group's consolidated equity as of September 30, 2023 totalled EUR 28.7 million (December 31, 2022: EUR 28.9 million).
- Cash and cash equivalents within the bet-at-home.com AG Group amounted to EUR 36.8 million as of September 30, 2023 (December 31, 2022: EUR 35.3 million).

# OUTLOOK



## Outlook for the 2023 Financial Year

The Management Board expects **gross betting and gaming revenue** of the bet-at-home.com AG Group for the 2023 financial year **in the range of EUR 44 – 48 million** and nevertheless an **EBITDA in the upper range of** the previously announced forecast **from EUR -3 million to EUR 1 million** (as reported in the interim financial report 2023, there may arise additional one-off effects from the winding-up of bet-at-home.com Entertainment Ltd. (in Liquidation)).

# INVESTOR RELATIONS



## KEY DATA

ISIN	DE000A0DNAY5
Stock exchange	Frankfurt
Market segment	Prime Standard
Number of shares	7,018,000

## SHAREHOLDER STRUCTURE

Betclic Everest SAS	53.9%
Free float	46.1%

### Investor Relations

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