



Q1 2017 Financial Results

Analyst Conference Call
11th May 2017

FORTUNA ENTERTAINMENT GROUP
N.V.



FORTUNA

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FORTUNA

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Introduction

Fortuna Entertainment Group

Leading Regulated Operator in the CEE

Poland

Pop. 37.9 million
 250k registered users (Q1 2017)
 No. 2 market position (33%)
 Retail & Online
 Reg. vs. offshore market:
 EUR 200 MM vs. EUR 1.1 bn

Czech Republic

Pop. 10.5 million
 376k registered users (Q1 2017)
 No. 2 market position (31%)
 Retail & Online & Lottery
 Reg. vs. offshore market:
 EUR 780 MM vs. EUR 500 MM

Slovakia

Pop. 5.4 million
 172k registered users (Q1 2017)
 No. 2 market position (35%)
 Retail & Online
 Reg. vs. offshore market:
 EUR 365 MM vs. EUR 100 MM

Croatia

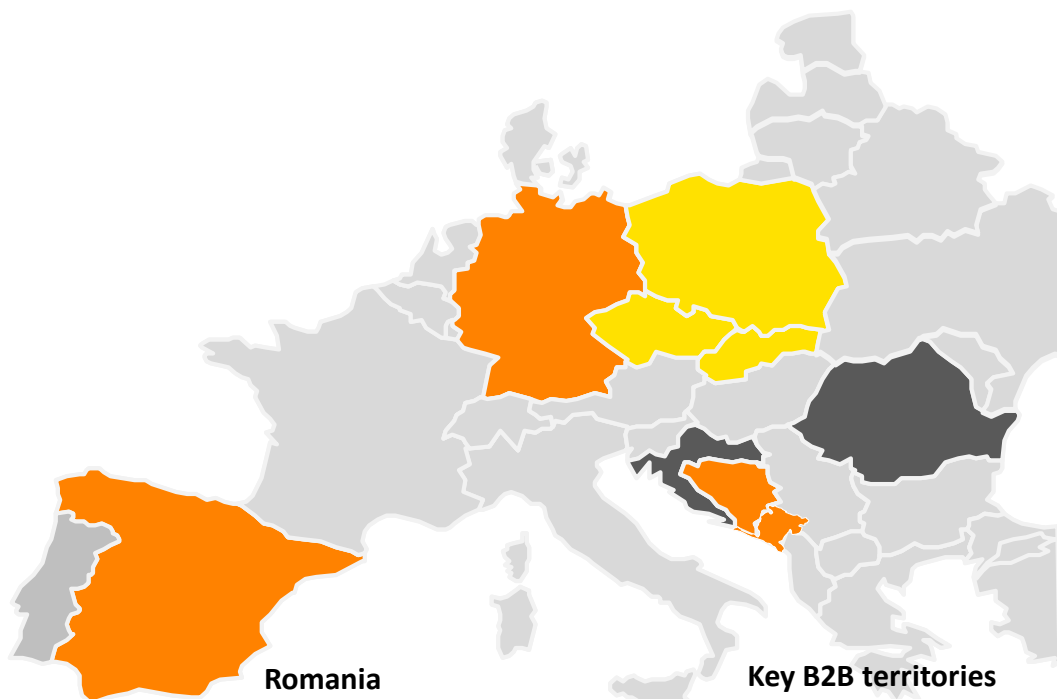
PSK
 Pop. 4.2 million
 52k registered users
 No. 2 market position (25%)
 Retail & Online Sports Betting
 Reg. vs. offshore market:
 EUR 150 MM vs. EUR 30 MM

Romania

Brand Licence / Casa Pariurilor
 Pop. 19.7 million
 Combined no. 1 position in retail
 and in TOP 5 in online
 Retail & Online (betting &
 gaming)
 Reg. vs. offshore market:
 EUR 170 MM vs. EUR 300 MM

Key B2B territories

- Spain
- Germany
- Montenegro
- Bosnia & Herzegovina



Current countries

Expansion in progress

B2B expansion in progress



Q1 2017 Key Highlights

Q1 2017 Key Highlights

Amounts Staked growing across all markets driven by online sports betting

- 1 Total Amounts Staked increased by 20.1% yoy to EUR 302.2 million
- 2 Online Sports Betting Gross Win increased by 18.5% to EUR 28.3 million
- 3 Total EBITDA amounted to EUR 3.0 million down 36.3% yoy due to lower sports Gross Win margins and higher OPEX
- 4 No. of registered customers betting online in the Czech, Slovak and Polish market increased by 14.5%



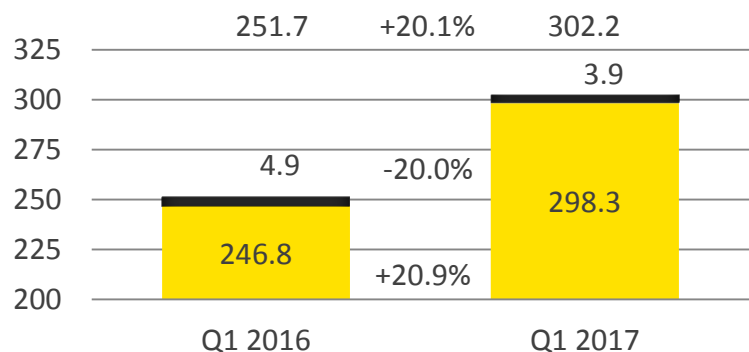


Q1 2017 Financial Results

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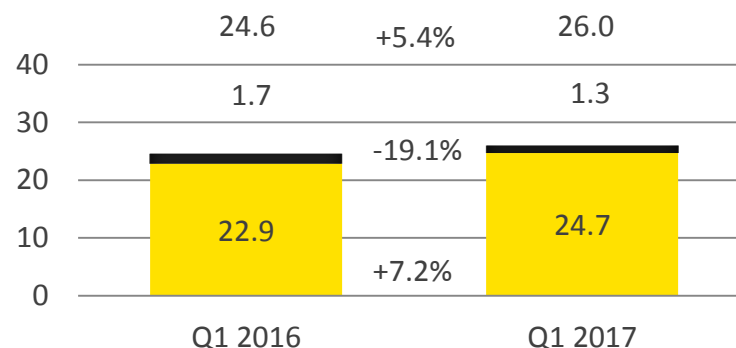
(in EUR MM)

Amounts Staked



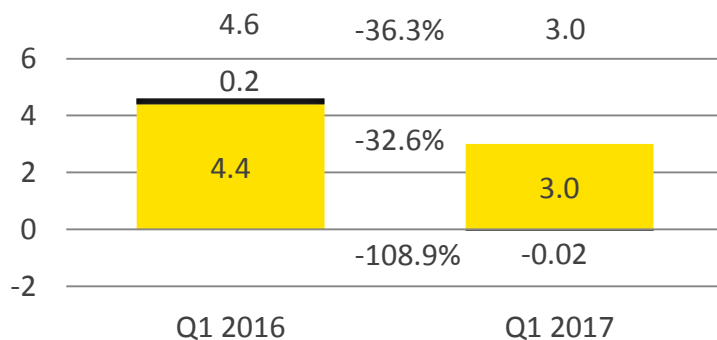
■ Amounts Staked Sports & Gaming ■ Amounts Staked Lottery

Revenues



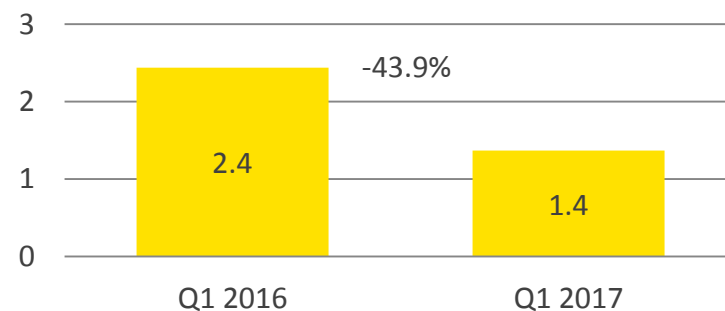
■ Revenues Sports & Gaming ■ Revenues Lottery

EBITDA



■ EBITDA Sports & Gaming ■ EBITDA Lottery

Net Profit *

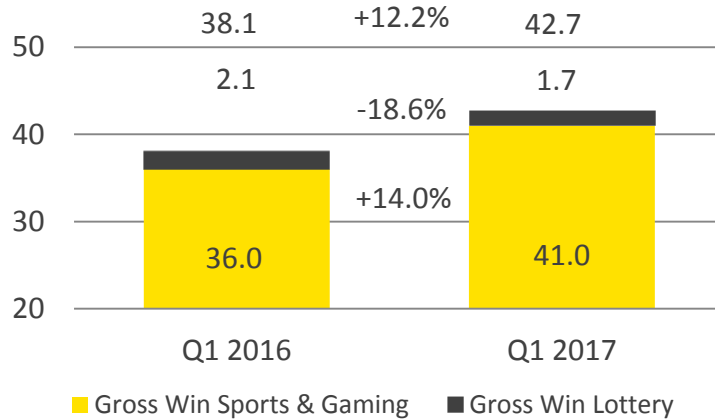


■ Net Profit Non Lottery

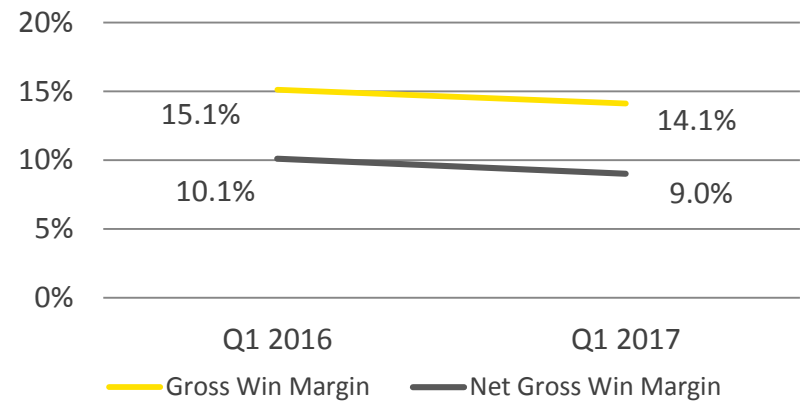
Q1 2017 Financial Results – cont.

(in EUR MM)

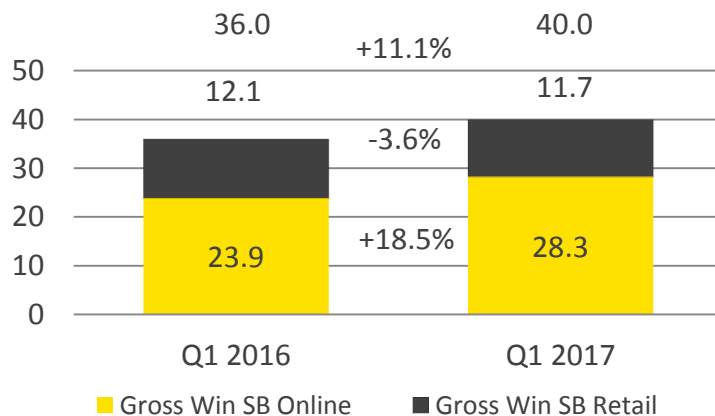
Gross Win



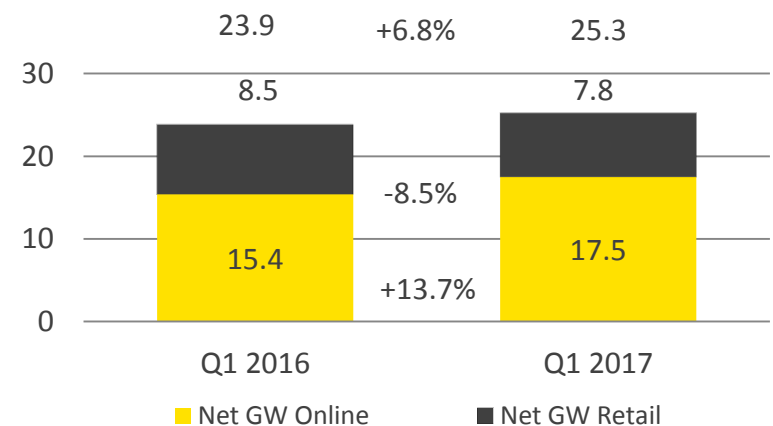
Gross Win / Net Gross Win Margin



Gross Win Sports Betting



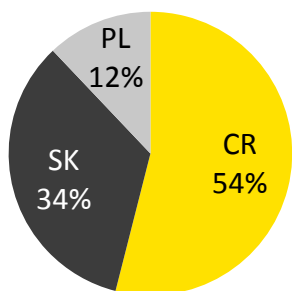
Net Gross Win Sports Betting



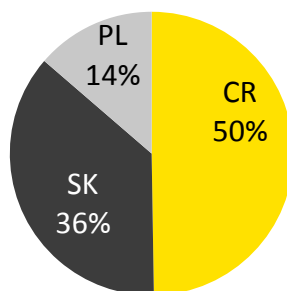
Sports Betting by Country Q1 2017

Amounts Staked

Q1 2016

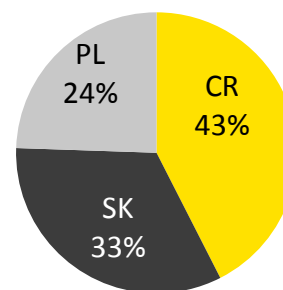


Q1 2017

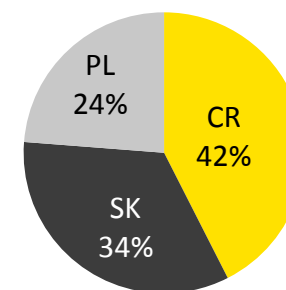


Gross Win

Q1 2016



Q1 2017



- Higher growth visible in the Slovak market at the back of handling fee abolishment in 2015
- Czech Republic proves to be stable and mature market with no substantial changes
- Poland's online business growing at the back of improved key value drivers (FTD's & database)



Strategic Initiatives in Progress

Strategic Initiatives in Progress

From 2017 onwards Fortuna will be well positioned to become the “No. 1 licensed sports betting & gaming operator in CEE with the most trusted and exciting multichannel betting & gaming brands”

Enlarged group implies (pro-forma 2016); A/S EUR 1,636 million, Revenues EUR 200 million, EBITDA EUR 33 million*



Value Creation Strategy Pillars

Operational excellence
Unlocking regulatory opportunities
Product vertical extensions
Internationalization

1

Operational excellence build up

Investment into people, processes and tools to build scale and flexibility, e.g. CLCM, BI & Analytics, Brand, Retail, Re-platforming

2

Online Casino launched in Czech R.

Fortuna was the first operator, and so far the only one, to launch online casino on the back of a local license

3

Acquisition of Hattrick Sports Group

HSG is the owner of betting & gaming operators Casa Pariurilor (RO) and PSK (CRO) as well as B2B operations. 2016 pro-forma A/S & EBITDA of EUR 372 million and EUR 12.4 million (ex-JV Spain)

4

Acquisition of Fortbet RO companies

Fortuna announced its intention to acquire Romanian companies Bet Active Concept S.R.L., Bet Zone S.R.L., Public Slots S.R.L. and Slot Arena S.R.L. from Fortbet. 2016 pro-forma A/S & EBITDA of EUR 224 million and EUR -1.1 million*

5

Disposal of Czech lottery business

Fortuna is currently in negotiation with potential buyers of the Czech lottery business



2017 Outlook & Guidance Update

2017 Outlook & Guidance Update

The company confirms its previously announced full year guidance



2017 Guidance (excl. M&A):

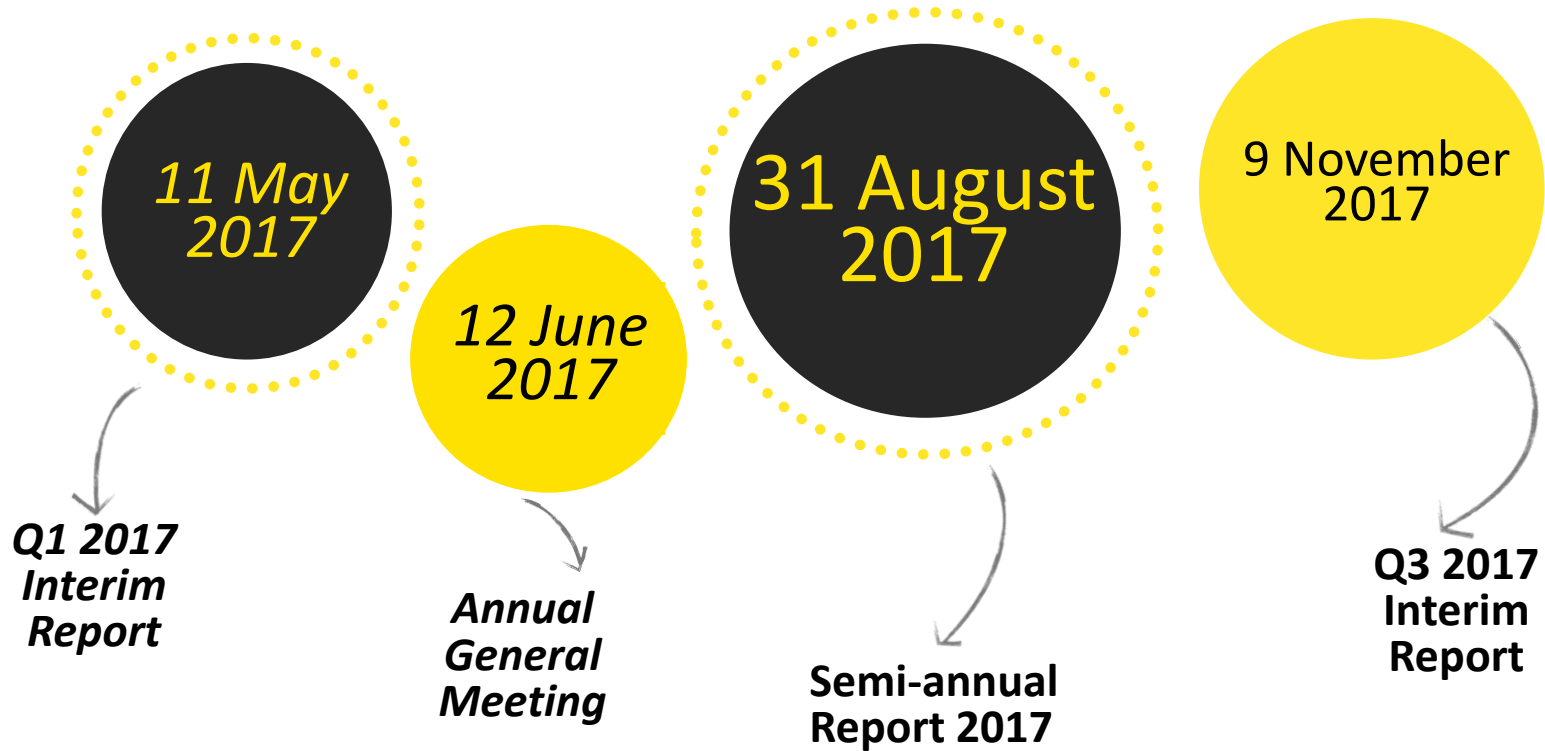
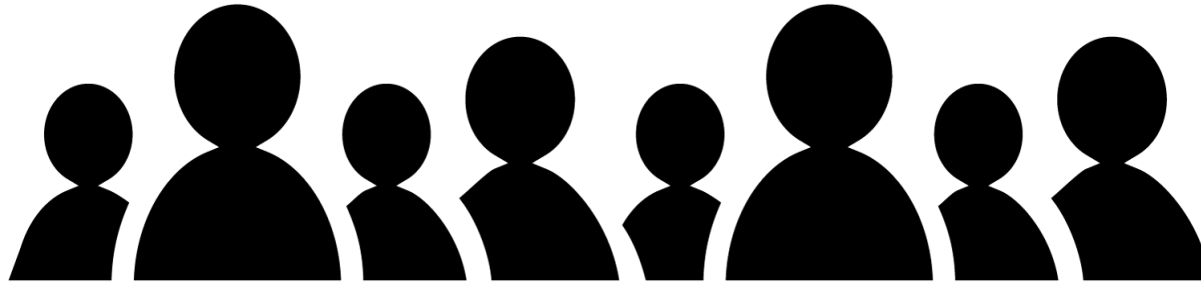
Amounts Staked EUR 1,300 million

EBITDA increase 20-25% yoy

CAPEX EUR 8-10 million

- CZ – Online Gaming
- PL – virtual games
- Blocking of offshore

- Re-platforming into multi-product and -channel, and -jurisdiction
- Operational excellence & people
- New marketing activities & sponsoring
- Integration of Hattrick Sports Group and Romanian betting companies
- Internationalisation opportunities
- Sale of the lottery business





IR Contact

Klára Klímová

IR Consultant

Phone: +420 724 255 715

e-mail: klara.klimova@fortunaeg.nl

www.fortunagroup.eu

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