

## INTERIM REPORT JANUARY TO SEPTEMBER 2024

### Third quarter: July - September 2024

- Total revenues amounted to mSEK 11.8 (6.3), corresponding to an increase of 87 percent
- B2B revenues amounted to mSEK 8.4 (5.4), an increase of 55 percent
- B2C revenues amounted to mSEK 1.7 (1.0), an increase of 70 percent
- Other revenues amounted to mSEK 1.8 (0.0)
- EBITDA improved to mSEK 0.1 (-5.9)
- Net result improved to mSEK -0.1 (-5.8)
- Earnings per share amounted to SEK 0.00 (0.03)

### Interim period: January - September 2024

- Total revenues amounted to mSEK 30.9 (22.3), corresponding to an increase of 38 percent
- B2B revenues amounted to mSEK 23.2 (18.0), an increase of 29 percent
- B2C revenues amounted to mSEK 4.6 (4.4), an increase of 4 percent
- Other revenues amounted to mSEK 3.1 (0.0)
- EBITDA improved to mSEK -3.6 (-21.8)
- Net result amounted to mSEK -5.0 (36.1)
- Earnings per share amounted to SEK -0.02 (-0.16)

### Events after the quarter

Signed an extension with bet365, concerning non-North American territories.

For additional information, please contact:

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ALL FIGURES IN THIS REPORT ARE STATED IN SWEDISH SEK UNLESS OTHERWISE STATED. BRACKETS IN THIS REPORT REFER TO THE CORRESPONDING PERIOD OF THE PREVIOUS YEAR, UNLESS OTHERWISE STATED. ALL FIGURES REFER TO THE GROUP UNLESS OTHERWISE STATED.

## CEO comment

The third quarter has always been the start of the new season for many sports, specifically for our major sport football. We have seen an increase in activity from the retained users but also an increase in new users having activity on partner sites and on our own B2C brand, Fanteam. The results for the quarter show that we are on the right track on our journey to become profitable.

During the fourth quarter we will invest in our organization, adding more development staff to enable us to launch new partners and develop our products in a more efficient way. We have also in October employed a CTO, who will take the responsibility to improve and give us more stability on the technology side of the business. The investment will increase our expenses during the coming months. With these investments in our organization and ongoing partnerships our results will continue to improve and become positive for the coming 12 months.

The extensions signed with bet365 in October and the agreement with bet365 North America from July has shown that our products are a vertical which can drive additional revenues for our partners. Our product suite is giving our partners a proven and important tool to acquire and retain users on their respective websites with improved values.

Our current cash forecasts give us more than sufficient time to ensure our goal of cash flow positive, which remains our priority.

Niklas Jönsson  
CEO

## Financial performance

### Revenues

Total revenues for the quarter amounted to mSEK 11.8 (6.3), an increase of 87 percent compared to the same period last year.

Revenues from B2B operations increased during the quarter to mSEK 8.4 (5.4), an improvement of 55 percent compared to last year's comparative quarter. The growth in B2B comes from the increased focus on this vertical. The Group has by the end of the quarter 11 integrated and active B2B partners.

The revenues from B2C also improved during the quarter to mSEK 1.7 (1.0), an increase of 70 percent compared to last year's first quarter. The increase in part is led by optimization of our Sportsbook offering as well as increased marketing.

Other revenues relate to development change orders for partners as well as recognition of deferred revenue from setup fees due to contract termination prior to the service going live. The other revenues' amounted to mSEK 1.8 (0.0) for the quarter and mSEK 3.1 (0.0) for the period. These are all non-recurring.

Revenues for B2C operations are booked at the date the transaction takes place (for Daily Fantasy Games (DFS) or when a bet is settled. For B2B operations revenues are invoiced to partners after month end based on either minimum fee specified in the agreements or revenue share agreements.

### Expenses

Total expenses during the quarter amounted to mSEK 11.7 (12.2) and 34.5 (44.2) for the period, a reduction of 4 percent compared to last year's comparative quarter and 22 percent for the period.

Personnel costs amounted to mSEK 5.3 (5.0) for the quarter and 15.3 (22.9) for the period. An increase of 6 percent for the quarter and a decrease of 33 percent for the period. compared to last year's comparative quarter.

Other external expenses amounted to mSEK 6.5 (7.2) for the quarter and 19.2 (21.2) for the period. A reduction of 11 percent for the quarter and 9 percent for the period.

The Group records all costs when they are incurred, specifically related to guarantee losses these are booked when the registration of the underlying tournament is closed. Guarantee losses are defined as part of the prize pool set by the Group not covered by user buy-ins (through our B2C brand and partners connected to the network).

### Player and partner related debts and assets

The company classifies all player funds as "client assets" in the financial statements, furthermore buy-ins from networked partners are booked as the same based on the transaction date. Buy-ins are invoiced after month end from all partners but as a "network operator" the Group incurs the debt at transaction date.

Funds held with Payment Service Providers (PSPs) are classified as “other receivables” due to the funds being receivable from another entity. Per quarter end this amounted to 5.6 mSEK (3.0).

Per period end the company had mSEK 13.6 (14.3) of liabilities related to player balances and ongoing tournaments. Player funds accounted for mSEK 6.9 (7.8) and networked buy-ins mSEK 6.7 (6.5). All debts related to buy-ins included per quarter end will be settled as follows:

- Next quarter mSEK 0.4
- After the next quarter mSEK 6.3

The B2B and B2C entities always retain sufficient liquidity to be able to always pay their client assets (networked buy-ins and player funds). The rest of the funds are distributed based on need.

### **Result**

Operating profit for the quarter was mSEK 0.1 (-5.9) and for the period mSEK -3.6 (-21.9).

Net result was mSEK -0.1 (-5.8) during the quarter and for the period mSEK -5.0 (-36.1).

### **Liquidity, financing and financial position**

Cash flows from operating activities amounted to mSEK -1.1 (-4.4) for the quarter and -10.0 (-22.8) for the period.

Cash flows for the quarter were mSEK -1.1 (-4.4) and -10.0 (-22.8) for the period. Cash and cash equivalents amounted to mSEK 38.0 (56.8) at the end of the period.

## Key Ratios

	Jul-Sept 2024	Jul-Sept 2023	Jan-Sept 2024	Jan-Sept 2023	Full year 2023
Revenue	11.8	6.3	30.9	22.3	31.0
Growth, %	87.2	-3.0	38.3	46.0	21.0
EBITDA	0.1	-5.9	-3.6	-21.8	-25.4
EBITDA-margin, %	0.9	Neg	Neg	Neg	Neg
Operating profit	0.1	-5.9	-3.6	-21.9	-25.5
Number of shares at the end of the period	225,200,470	225,200,470	225,200,470	225,200,470	225,200,470
Average number of shares	225,200,470	225,200,470	225,200,470	225,200,470	112,600,235
Employees at end of period *	39	44	37	44	36
Earnings per share (SEK)	0.00	-0.03	-0.02	-0.16	-0.37
Shareholders' equity per share (SEK)	0.12	0.20	0.12	0.17	0.14

\* Includes contract staff in Ukraine.

## Other

### Parent company

Revenue for the quarter amounted to mSEK 1.8 (0.0) and for the period 2.8 (0.0). Operating profit amounted to mSEK -0.1 (-1.4) for the quarter and -3.6 (-1.4) for the period. The result for the quarter amounted to mSEK 0.1 (-0.8) for the quarter and -3.6 (-0.8) for the period. The parent company's cash and cash equivalents amounted to mSEK 25.2 (38.5) at the end of the quarter and equity amounted to mSEK 101.5 (106.7).

### Risks

Scout Gaming's operations are subject to certain risks that may affect performance or financial position to varying degrees. These can be divided into industry and business-related risks as well as financial risks. In assessing the Group's future development, it is important to consider, in addition to possible opportunities for profit growth, the risk factors. The development of the legal situation for the type of gaming services provided by Scout Gaming is a key risk factor for the Group's future earning ability. As the majority of the company's customers are active in many parts of the world, legal status in all territories where partners or our own B2C operations are active.

For further information about Scout Gaming's risks and risk management, refer to the Annual Report 2023, which is found on the company's website.

### Accounting principles

The interim report has been prepared in accordance with the Annual Accounts Act and the Board of Directors' General Advice BFNAR 2012: 1 Annual Report and Consolidated Financial Statements (K3). The change in principle concerning capitalization of development cost the Group has used K3, 18:7. Amounts are expressed in mSEK (millions of SEK) unless otherwise stated.

## Owners per September 30<sup>th</sup> 2024

Shareholders	No. Shares	Ownership
Topline Capital Partners LP	67,560,140	29,9 %
Scobie Ward	35,306,667	15,7 %
Novobis AB	20,721,580	9,2 %
Knutsson Holdings AB	19,939,600	8,9 %
Atle Sundal Holding AS	9,018,340	4,0 %
SIA Optibet	8,333,330	3,7 %
Mats Gidlund	4,003,180	1,8 %
Clearstream Banking S.A.	3,751,673	1,7 %
Bjørn Fjellby Holding AS	3,703,000	1,6 %
Andreas Sundal Holding AS	3,410,024	1,5 %
Top 10 shareholders	175,747,534	78,0 %
<b>Other shareholders</b>	<b>49,452,936</b>	<b>22,0 %</b>
Total number of shares	225,200,470	

## Calendar

Scout Gaming will publish reports according to the following schedule:

- Year-end report 2024: February 28<sup>th</sup>, 2025
- Annual Accounts 2024: April, 2025
- Interim Report January-March: May 8<sup>th</sup>, 2025
- Interim Report January-June: August 14<sup>th</sup>, 2025
- Interim Report January-September: November 7<sup>th</sup>, 2025
- Year-end report 2025: February 27<sup>th</sup>, 2026

## Condensed consolidated income statement

### Scout Gaming Group AB (publ) 559119-1316

Group income statement (kSEK)	Jul-Sept 2024	Jul-Sept 2023	Jan-Sept 2024	Jan-Sept 2023	Full year 2023
Revenue	10,056	6,320	27,760	22,330	31,032
Other revenues	1,775	-	3,123	-	-
<b>Total Revenues</b>	<b>11,831</b>	<b>6,320</b>	<b>30,883</b>	<b>22,330</b>	<b>31,032</b>
Personnel expenses	-5,281	-5,018	-15,268	-22,937	-27,115
Other external expenses	-6,463	-7,228	-19,220	-21,191	-29,280
Depreciation, amortization and impairment	-	-	-	-93	-93
<b>Total operating expenses</b>	<b>-11,744</b>	<b>-12,246</b>	<b>-34,488</b>	<b>-44,221</b>	<b>-56,488</b>
<b>Operating profit/loss</b>	<b>87</b>	<b>-5,926</b>	<b>-3,605</b>	<b>-21,891</b>	<b>-25,456</b>
Financial items	-215	104	-1,354	-14,254	-15,653
<b>Profit before tax</b>	<b>-128</b>	<b>-5,822</b>	<b>-4,960</b>	<b>-36,145</b>	<b>-41,109</b>
Tax	-	-	-	-	-
<b>Profit/loss for the period</b>	<b>-128</b>	<b>-5,822</b>	<b>-4,960</b>	<b>-36,145</b>	<b>-41,109</b>

**Condensed consolidated balance sheet**  
**Scout Gaming Group AB (publ) 559119-1316**

<b>Group balance sheet (kSEK)</b>	<b>30.09.2024</b>	<b>30.09.2023</b>	<b>31.12.2023</b>
<b>Assets</b>			
Accounts receivable	5,183	5,494	2,430
Other receivables	6,602	3,690	2,950
Prepaid expenses and accrued income	849	859	1,047
Cash and cash equivalents	37,228	51,702	47,332
<b>Total current assets</b>	<b>49,861</b>	<b>61,745</b>	<b>53,759</b>
<b>TOTAL ASSETS</b>	<b>49,861</b>	<b>61,745</b>	<b>53,759</b>
<b>Equity and liabilities</b>			
Share capital	11,853	11,853	11,853
Other capital contributed	423,424	423,424	423,424
Reserves	-36	-293	-65
Retained earnings including profit for the period	-407,605	-397,681	-402,645
<b>Total equity</b>	<b>27,636</b>	<b>37,303</b>	<b>32,567</b>
Accounts payable	2,648	2,501	1,993
Client assets	15,750	14,269	13,390
Other current liabilities	617	519	13
Accrued expenses and prepaid income	3,210	7,153	5,796
<b>Total short-term liabilities</b>	<b>22,225</b>	<b>24,442</b>	<b>21,192</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>49,861</b>	<b>61,745</b>	<b>53,759</b>



## Consolidated changes in equity

Comparative period(s)	Share capital	Capital contributed	Reserves	Retained earnings	Total equity
<b>01.01.2023</b>	11,853	423,424	-11,545	-361,536	62,196
Conversion difference			-17,592		-17,592
Profit/loss for the quarter					7,021
<b>31.03.2023</b>	11,853	423,424	-29,137	-354,515	51,625
	Share capital	Capital contributed	Reserves	Retained earnings	Total equity
<b>01.04.2023</b>	11,853	423,424	-29,137	-354,515	51,625
Conversion difference			29,561		29,561
Profit/loss for the quarter					-37,344
<b>30.06.2023</b>	11,853	423,424	424	-391,859	43,842
	Share capital	Capital contributed	Reserves	Retained earnings	Total equity
<b>01.07.2023</b>	11,853	423,424	424	-391,859	43,842
Conversion difference			-717		-717
Profit/loss for the quarter					-5,819
<b>30.09.2023</b>	11,853	423,424	-293	-397,678	37,306

Current period(s)	Share capital	Capital contributed	Reserves	Retained earnings	Total equity
<b>01.01.2024</b>	11,853	423,424	-65	-402,645	32,567
Conversion difference			-201		-201
Profit/loss for the quarter					-2,928
<b>31.03.2024</b>	11,853	423,424	-266	-405,573	29,438
	Share capital	Capital contributed	Reserves	Retained earnings	Total equity
<b>01.04.2024</b>	11,853	423,424	-266	-405,573	29,438
Conversion difference			177		177
Profit/loss for the quarter					-1,904
<b>30.06.2024</b>	11,853	423,424	-89	-407,477	27,711
	Share capital	Capital contributed	Reserves	Retained earnings	Total equity
<b>01.07.2024</b>	11,853	423,424	-89	-407,477	27,711
Conversion difference			53		53
Profit/loss for the quarter					-128
<b>30.09.2024</b>	11,853	423,424	-36	-407,605	27,636

## Consolidated statement of cash flow

Group (kSEK)	Jul-Sept 2024	Jul-Sept 2023	Jan-Sept 2024	Jan-Sept 2023	Full year 2023
Profit before tax	-128	-5,822	-4,960	-36,145	-41,109
Adjustment for items not included in cash flow					
Depreciation, amortization and impairments	-	-	-	93	93
Non cashflow affecting	-2,258	-	-2,909	12,090	14,129
Tax paid	-	-	-	-	-
<b>Operating activities before change in WC</b>	<b>-380</b>	<b>-5,822</b>	<b>-4,803</b>	<b>-23,962</b>	<b>-26,887</b>
Changes in working capital	1,276	1,454	-2,107	1,166	1,534
<b>Cash flows from operating activities</b>	<b>-1,109</b>	<b>-4,368</b>	<b>-9,976</b>	<b>-22,796</b>	<b>-25,353</b>
Sale of subsidiary	-	-	-	-	-1,544
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-1,544</b>
<b>Cash flow for the period</b>	<b>-1,109</b>	<b>-4,368</b>	<b>-9,976</b>	<b>-22,796</b>	<b>-26,897</b>
Cash and cash equivalents at start of period	38,031	56,786	47,332	74,959	74,959
Exchange rate differences	306	-716	-128	-461	-740
<b>Cash and cash equivalents at end of period</b>	<b>37,228</b>	<b>51,702</b>	<b>37,228</b>	<b>51,702</b>	<b>47,322</b>

## Condensed Parent Company income statement

Parent Company income statement (kSEK)	Jul-Sept 2024	Jul-Sept 2023	Jan-Sept 2024	Jan-Sept 2023	Full year 2023
<b>Total revenue</b>	1,823	-	2,837	1,102	2,685
Personnel expenses	-806	-694	-2,331	-1,728	-2,396
Other external expenses	-1,160	-748	-4,079	-4,534	-6,150
<b>Total expenses</b>	<b>-1,966</b>	<b>-1,443</b>	<b>-6,410</b>	<b>-6,262</b>	<b>-8,545</b>
<b>Operating profit/loss</b>	<b>-142</b>	<b>-1,443</b>	<b>-3,572</b>	<b>-5,161</b>	<b>-5,860</b>
Financial items*	239	608	-10	-73,176	-74,035
<b>Profit before tax</b>	<b>97</b>	<b>-835</b>	<b>-3,582</b>	<b>-78,337</b>	<b>-79,895</b>
<b>Profit before tax</b>	<b>97</b>	<b>-835</b>	<b>-3,582</b>	<b>-78,337</b>	<b>-79,895</b>

## Condensed Parent Company balance sheet

Parent company balance sheet (kSEK)	Jan-Sept 2024	Jan-Sept 2023	Full year 2023
<b>Assets</b>			
Financial assets	63,870	63,870	63,870
<b>Total non-current assets</b>	<b>63,870</b>	<b>63,870</b>	<b>63,870</b>
Group internal receivables	12,894	4,451	6,550
Other receivables	277	1,301	619
Prepaid expenses and accrued income	652	30	334
Cash and cash equivalents	25,166	38,547	35,209
<b>Total current assets</b>	<b>38,989</b>	<b>44,329</b>	<b>42,712</b>
<b>TOTAL ASSETS</b>	<b>102,859</b>	<b>108,199</b>	<b>106,582</b>
<b>Equity and liabilities</b>			
Share capital	11,853	11,853	11,853
Other contributed capital	379,468	379,468	379,468
Retained earnings including profit for the period	-289,785	-284,645	-286,203
<b>Total equity</b>	<b>101,536</b>	<b>106,676</b>	<b>105,118</b>
Accounts payable	253	375	310
Other current liabilities	211	318	154
Accrued expenses and prepaid incomes	860	830	1,001
<b>Total current liabilities</b>	<b>1,324</b>	<b>1,523</b>	<b>1,465</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>102,859</b>	<b>108,199</b>	<b>106,582</b>

## SIGNATURES AND ASSURANCE

This Report has not been subject to review by the Company's auditor. The Board of Directors and the Chief Executive Officer offer their assurance that this Interim Report gives a true and fair view of the Group's and Parent Company's operations, financial position and results of operations and describes the significant risks and uncertainties facing the Group and Parent Company.

Stockholm, November 14th, 2024

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Fredrik Rüden, Member

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## Information about Nasdaq First North Growth Market

Nasdaq First North Growth Market (“First North”) is an alternative marketplace operated by the constituent exchanges of Nasdaq Stockholm. It does not have the same legal status as a regulated marketplace. Companies quoted at First North are subject to First North’s rules, rather than the legal requirements set for trading on a regulated marketplace. An investment in a company trading on First North implies higher risk than one in a listed company. Companies must apply to the exchange and gain approval before trading on First North can commence. A Certified Adviser guides the company through the listing process and ensures that the company continuously satisfies First North’s standards. Corpura Fondkommission AB is Scout Gaming’s Certified Adviser.

## Definitions

**Revenue** – Total revenue for the current period

**Revenue growth** - Revenue for the current period through revenue for the same period last year

**EBITDA** - Operating profit before depreciation and amortization

**EBITDA margin** - EBITDA as a percentage of Revenue

**Operating profit** - Consolidated operating profit for the period

**Operating margin** - Group operating profit as a percentage of revenue

**Number of shares at the end of the period** - The number of shares outstanding at the end of the period.

**Average number of shares** - Opening number of shares for the period added with outstanding number of shares divided by 2

**Number of employees at the end of the period** - Number of employees in the Group at the end of the period, including contract employees in Ukraine

**Earnings per share** - Profit after tax divided by the average number of shares during the period

**Equity per share** - Equity divided by the number of outstanding shares during the period