

Stockholm, 18 July 2018

Preliminary results for the second quarter 2018 higher than expected

The LeoVegas Group ("LeoVegas") EBITDA for the second quarter of 2018 amounts to approximately EUR 15 million (approximately 17% EBITDA margin), which is higher than the company's internal expectations. The reason for communicating the preliminary result early is that LeoVegas' marketing costs in relation to revenue are approximately 35%. This is significantly lower than what was communicated by the company in the quarterly report for the first quarter, where it was expected that marketing costs in relation to revenue would exceed 42% in the second quarter. Revenue for the second quarter amounts to approximately EUR 87 million.

"Our data-driven marketing model works so that we only invest if we see good enough returns in our marketing channels. During the World Cup there are many gaming companies that are advertising, which means that the effectiveness of marketing and the value of customers can be more uncertain. Our models have indicated that we should not advertise in some channels due to the low return, which in turn led to a significantly higher EBITDA than expected. We continue to act in line with achieving our financial targets, which is to reach EUR at least 600m in revenue and EUR 100m in EBITDA results in 2020," comments Gustaf Hagman, CEO of LeoVegas Mobile Gaming Group.

In the quarterly report for the first quarter it was communicated that: *"Marketing in relation to revenue for the Group in the second quarter of 2018 will be higher than the average for 2017, which was 42.3%. Due to the marketing opportunities surrounding the World Cup, the total amount of marketing is more difficult than usual to anticipate in advance. LeoVegas will act opportunistically with marketing on the opportunities we see."*

Preliminary figures for the second quarter of 2018

Work on the quarterly report for the second quarter is ongoing and the figures presented below are only preliminary. Marketing costs are expected to amount to approximately EUR 30 million and revenues are expected to amount to approximately EUR 87 million. Marketing costs in relation to the Company's revenues are expected to amount to approximately 35%. This has a material effect on the Company's EBITDA, which is expected to amount to approximately EUR 15 million with an EBITDA margin of about 17%.

LeoVegas' quarterly report for the second quarter of 2018 will be published on August 1st. In addition to what is stated herein, the company will not comment on the results before the quarterly report for the second quarter is published. In connection with the presentation the same day at 9:00 CET there will be the opportunity to ask questions. The webcast is available at: <https://edge.mediaserver.com/m6/p/zupwii5n>

The information in this release is such that LeoVegas AB (publ) is required to make public in accordance with the EU Market Abuse Regulation (596/2014). The information was submitted, by the agency of the contact persons below, for publication at 8:00 a.m. CET on 18 July 2018.

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About the LeoVegas mobile gaming group

LeoVegas' passion is "Leading the way into the mobile future". LeoVegas is Sweden's premier GameTech company and is at the forefront of using state-of-the-art technology for mobile gaming. In 2017 the company passed the threshold for being

classified as a unicorn, i.e., a start-up valued at more than USD 1 billion. A large part of this success can be credited to an extreme product and technology focus coupled with effective and data-driven marketing. Technology development is conducted in Sweden, while operations are based in Malta. LeoVegas offers casino, live casino and sport gaming, and operates two global and scalable brands – LeoVegas and Royal Panda – as well as a local, multibrand operator collectively referred to as Rocket X. The company's shares are listed on Nasdaq Stockholm. For more about LeoVegas, visit www.leovegasgroup.com.